Risk Factors Comparison 2024-03-28 to 2023-03-06 Form: 10-K

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You should carefully consider the following risk factors, in addition to the other information contained in this Annual Report on Form 10- K, including the section of this report titled " Management' s Discussion and Analysis of Financial Condition and Results of Operations " and our consolidated financial statements and related notes. If any of the events described in the following risk factors and the risks described elsewhere in this report occurs, or if any other risks of which we are not presently aware occurs, our business, operating results and financial condition could be seriously harmed. This Annual Report on Form 10- K also contains forward- looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in the forward- looking statements **due to** ~~as a result of~~ factors ~~that are~~ described below and elsewhere in this report **. Risks Related to Strategic Process and Potential Strategic Transaction We may not be successful in identifying and implementing any strategic transaction and any strategic transactions that we may consummate in the future may not be successful. In July 2023, we made the strategic decision to pause further development of our Kv7 program and to conduct a comprehensive exploration of strategic alternatives focused on maximizing stockholder value. As part of this process we expect to explore potential strategic alternatives that may include, but are not limited to, an acquisition, merger, business combination, or other transaction. For example, in connection with this process, on March 14, 2024 we received a Non- Binding Term Sheet from Tango, a development stage private biotechnology company which is majority- owned by funds affiliated with RA Capital. The Non- Binding Term Sheet contemplates that we would acquire Tango through a transaction whereby we would issue common stock to Tango' s equityholders in exchange for all of the outstanding equity of Tango, and Tango would become our wholly owned subsidiary, as described in Part I, Item 1 of this Annual Report on form 10- K. However, there can be no assurance that we will be able to successfully consummate any particular strategic transaction, including the Proposed Transaction. In addition, the Non- Binding Term Sheet is non- binding, and there can be no assurance that any definitive agreement will result from the Non- Binding Term Sheet or that any transaction with Tango or any other third party will be consummated. The Non- Binding Term Sheet, and the Proposed Transaction contemplated thereby, are subject to various conditions, including but not limited to, (i) the satisfactory completion of due diligence by both parties, (ii) the negotiation and execution of a definitive agreement and the satisfaction of the conditions negotiated therein, (iii) the approval and recommendation of the Proposed Transaction by the Special Committee, and (iv) a non- waivable condition requiring approval of our stockholders holding a majority of the voting power of the outstanding shares of our company not held by RA Capital or its affiliates. As the parties continue to negotiate the terms of the Proposed Transaction, it is possible that, through these negotiations, the proposed terms of the Proposed Transaction may change, including as a result of the ongoing diligence efforts of both parties, market conditions and other factors. There can be no guarantee that the parties will ever reach a definitive agreement with respect to the Proposed Transaction and either party may determine to abandon the Proposed Transaction at any time for any reason, including the parties' respective beliefs regarding the preferability of the Proposed Transaction to other alternatives that may be available to them, as well as other factors. Continuing to evaluate these strategic options may be very costly, time- consuming and complex and we may incur significant costs related to this continued evaluation. We may also incur additional unanticipated expenses in connection with this process. A considerable portion of these costs will be incurred regardless of whether any such course of action is implemented, or transaction is completed. Any such expenses will decrease the remaining cash available for use in our business and may diminish or delay any future distributions to our stockholders. In addition, we may not be able to adequately limit or avoid future liabilities, including future costs relating to the lease on our headquarters, which may impair the value of any potential transaction or present additional challenges to completing a strategic transaction. There can be no assurances that any particular course of action, business arrangement or transaction, or series of transactions, will be pursued, successfully consummated, lead to increased stockholder value, or achieve the anticipated results. Any failure of such potential transaction to achieve the anticipated results could significantly impair our ability to enter into any future strategic transactions and may significantly reduce or delay any future distributions to our stockholders. We may not realize any additional value in a strategic transaction. The market capitalization of our company is below the value of our current cash, cash equivalents and marketable securities. Potential counterparties in a strategic transaction involving our company may place minimal or no value on our assets, including ETX- 123 and ETX- 155. Further, the development and any potential commercialization of our product candidates would require substantial additional cash to fund the costs associated with conducting the necessary preclinical and clinical testing and obtaining regulatory approval. Consequently, any potential counterparty in a strategic transaction involving our company may choose not to spend the additional resources necessary to continue developing our product candidates and may attribute little or no value, in such a transaction, to those product candidates. If we are successful in completing a strategic transaction, we may be exposed to other operational and financial risks. Although there can be no assurance that a transaction will result from the process we have undertaken to assess strategic options, the negotiation and consummation of any such transaction will require significant time on the part of our management, and the diversion of management' s attention may disrupt the orderly operation of our company. The negotiation and consummation of any such transaction may also require more time or greater cash resources than we anticipate and expose us to other operational and financial risks, including: • increased near- term and long- term expenditures; • exposure to unknown liabilities; • higher than expected**

acquisition, disposition or integration costs; • incurrence of substantial debt or dilutive issuances of equity securities to fund future operations; • write- downs of assets or incurrence of non- recurring, impairment or other charges; • difficulty and cost in combining the operations and personnel of any acquired business with our operations and personnel; • impairment of relationships with key suppliers or customers of any acquired business due to changes in management and ownership; • inability to retain key employees of our company or any acquired business; and • possibility of future litigation. Our Board may decide to pursue a dissolution and liquidation. In such an event, the amount of cash available for distribution to our stockholders will depend heavily on the timing of such liquidation as well as the amount of cash that will need to be reserved for commitments and contingent liabilities. There can be no assurance that a strategic transaction will be completed and, whether or not such strategic transaction is completed, our Board may decide to pursue a dissolution and liquidation. In such an event, the amount of cash available for distribution to our stockholders will depend heavily on the timing of such decision and, as with the passage of time the amount of cash available for distribution will be reduced as we continue to fund our operations. In addition, if our Board were to approve and recommend, and our stockholders were to approve, a dissolution and liquidation, we would be required under Delaware corporate law to pay our outstanding obligations, as well as to make reasonable provision for contingent and unknown obligations, prior to making any distributions in liquidation to our stockholders. As a result of this requirement, a portion of our assets may need to be reserved pending the resolution of such obligations and the timing of any such resolution is uncertain. In addition, we may be subject to litigation or other claims related to a dissolution and liquidation. If a dissolution and liquidation were pursued, our Board, in consultation with our advisors, would need to evaluate these matters and make a determination about a reasonable amount to reserve. Accordingly, holders of our common stock could lose all or a significant portion of their investment in the event of a liquidation, dissolution or winding up. We may become involved in securities class action litigation that could divert management' s attention and harm our business, and insurance coverage may not be sufficient to cover all costs and damages. In the past, securities class action litigation has often followed certain significant business transactions, such as the sale of a company or announcement of any other strategic transaction, or the announcement of negative events, such as negative results from clinical trials. These events may also result in or be concurrent with investigations by the SEC. We may be exposed to such litigation or investigation even if no wrongdoing occurred. Litigation and investigations are usually expensive and divert management' s attention and resources, which could adversely affect our business and cash resources and our ability to consummate a potential strategic transaction or the ultimate value our stockholders receive in any such transaction . Risks Related to our Financial Position and Need for Additional Capital We have incurred significant losses since our inception ~~,~~ **and** anticipate that we will incur substantial losses for the foreseeable future and may never achieve or maintain profitability. We are a biotechnology company with a limited operating history. Our efforts ~~are~~ **have** focused primarily on developing ~~our lead product candidate ETX- 123, our~~ novel **therapies** ~~Kv7 compound. Since inception, we have incurred significant operating losses. Our net losses were $ 45. 2 million and $ 47. 5 million~~ for ~~the years ended December 31~~ **neuronal excitability disorders to address unmet needs in psychiatry** , **epilepsy** ~~2022 and December 31~~ , ~~2021~~ **chronic pain** , ~~respectively. We had an~~ **and** ~~accumulated deficit~~ **other disorders** of **the peripheral** ~~$ 120. 9 million~~ and **central nervous system** ~~$ 75. 6 million as of December 31, 2022 and December 31, 2021, respectively~~ . To date, we have not received regulatory approvals for any of our product candidates or generated any revenue from the sale of products, and we do not expect to generate any revenue in the foreseeable future. ~~We expect to continue to~~ **All of our product candidates are in early stages of research and development and we have paused further development of our programs while we focus on evaluating strategic alternatives. As a result, we are not profitable and we have** ~~incur~~ **incurred significant** ~~substantial expenses and~~ operating losses ~~over the~~ **since inception. Our** ~~next~~ **net** ~~several~~ **losses were $ 35. 1 million and $ 45. 2 million for the** years **ended December 31, 2023 and 2022, respectively. We had an accumulated deficit of $ 156. 0 million** as **of December 31, 2023. While we have taken measures to reduce our expenses in the near term,** we continue to ~~develop~~ **incur significant expenses related to** our **ongoing operations, including expenses relating to the wind down of ETX- 123 and ETX- 155 and expenses related to our ongoing corporate restructuring, and are not** ~~current~~ **currently moving any of our existing product candidates toward commercialization. We therefore expect to continue to have operating losses for the foreseeable future. If we are able to complete a strategic transaction that will allow us to continue development of our programs, we may resume our work to identify, acquire,** and **conduct research and development of** future product candidates ~~. As a result~~ , ~~we~~ **and potentially begin to commercialize any future products that may achieve regulatory approval. We may encounter unforeseen expenses, difficulties, complications, delays, and other unknown factors that may adversely affect our financial condition. The size of our future net losses will depend, in part, on the rate of future growth of our expenses and our ability to generate revenues. Our prior losses and** ~~expect~~ **expected** ~~to~~ **future losses have had, and will** continue to **have,** ~~incur significant losses for the foreseeable future as we: • continue development of our current and~~ **an adverse effect on our financial condition. If we are unable to bring any of our product candidates or** future product candidates **through full** ~~, including for ETX- 123; • commence~~ clinical trials ~~of~~ **for any reason,** ~~our~~ **or** ~~current and~~ **if such product candidates or** future product candidates **do not gain regulatory approval, or if approved, fail to achieve market acceptance, we may never become profitable. Even if we achieve profitability in the future, we may not be able to sustain profitability in subsequent periods. If we are unable to access capital when needed, it could force us to delay, reduce or terminate our product development programs, commercialization efforts, or other operations. While we expect to have adequate capital to fund our operations through the process we have undertaken to assess strategic options, our future capital requirements and the period during which we expect to complete this process may vary significantly from what we expect, and we may have to seek an alternate resolution to the process. If a strategic transaction is not consummated and / or if product development is resumed, we will require substantial additional**

funding to support our continuing operations. In addition, even if we are successful in completing a strategic transaction, we may still need to raise additional funds for any research and development or clinical programs we may choose to pursue in the future. Because the length of time and activities associated with successful research and development of our product candidates is highly uncertain, and because we have paused further development of our programs while we pursue strategic alternatives, we are unable to estimate the actual funds we will require for development and any marketing and commercialization activities for any product candidates that ultimately may be approved for sale. Our future funding requirements, both near and long- term, will depend on many factors, including, but not limited to: • our ability to complete a strategic transaction in a timely manner and on acceptable terms ; • ~~initiate~~ **the timing, cost** and **progress of research and preclinical, and clinical development activities; • the number and scope of development, preclinical and clinical programs we decide to pursue; • the terms of any collaborations and / or research and development agreements we may enter into, which may impact the cost, timing and development plans of one or more of our product candidate programs; • the costs involved in prosecuting and enforcing patent and other intellectual property claims; • the costs of manufacturing our product candidates by third parties; • the cost of regulatory requirements, regulatory submissions and timing of regulatory approvals; • the potential delays in our preclinical studies, our development programs and our ongoing and planned clinical trial activities due to the effects of global events, including macroeconomic conditions and continued supply chain disruptions; • the impact of inflationary pressures on salaries and wages, and costs of goods and transportation expenses, among other things; • the cost of commercialization activities if any future product candidates are approved for sale, including marketing, sales and distribution costs; and • our efforts to enhance operational systems and hire personnel to support development of any future product candidates. If we are unable to obtain funding on a timely basis or on acceptable terms, we may have to pursue less advantageous strategic opportunities, limit future research and development, or dissolve the Company and liquidate our assets. We may seek the additional funding we will need to** continue ~~research~~ **operating in the future through collaborations and / or licensing agreements, public or private equity offerings or debt financings, credit or loan facilities, or a combination of one or more of these funding sources. If we raise additional funds by issuing equity securities, our stockholders will suffer dilution and the terms of any financing may adversely affect the rights of our stockholders. In addition, as a condition to providing additional funds to us, future investors may demand, and may be granted, rights superior to those of existing stockholders. If we are able to raise additional funds through future debt financings, the terms of such financings are likely to involve restrictive covenants limiting our flexibility in conducting future business activities, and, in the event of insolvency, debt holders would be repaid before holders of our equity securities received any distribution of our corporate assets. If we raise additional funds through licensing or collaboration arrangements with third parties, we may have to relinquish valuable rights to our product candidates or grant licenses on terms that are not favorable to us. We also could be required to seek collaborators for product candidates at** ~~and~~ **an earlier stage than otherwise would be desirable or relinquish some or all of our rights to certain product candidates or technologies that we otherwise would seek to develop or commercialize ourselves. Failure to obtain capital when needed on acceptable terms may force us to delay, limit or terminate our product** development ~~, including preclinical, clinical~~ and **commercialization of our current or future product candidates, which could have a material and adverse effect on our business, financial condition, results of operations, and prospects. If we are unable to successfully develop and commercialize product candidates or experience significant delays in doing so, our business may be harmed. Drug development is a highly uncertain undertaking and involves a substantial degree of risk. For example, we have paused or discontinued the development of all of our remaining product candidates, which are still in drug** discovery ~~efforts~~ **stages, and we may not ever obtain regulatory approval** for any future product candidates ~~; • seek regulatory approvals for any product candidates that successfully complete clinical development; • incur legal, accounting, or other expenses in operating our business; • hire and retain qualified personnel; • maintain, expand and protect our intellectual property portfolio; • establish sales, marketing, distribution, manufacturing, supply chain and other commercial infrastructure in the future to commercialize various products for which we may obtain regulatory approval; and • acquire or in- license other product candidates and technologies. We expect to rely on capital markets, and to a lesser extent, U. K. research and development tax credits and incentives, for additional funding to conduct our future clinical trials and to complete development and commercialization of our product candidates. If we are unable to access capital when needed, we would be forced to delay, reduce or eliminate our clinical development programs or commercialization efforts. We had cash, cash equivalents and marketable securities of $ 123. 6 million at December 31, 2022. Based upon our current operating plan and assumptions, we believe that our existing cash, cash equivalents and marketable securities will be sufficient to fund our operations into 2027. However, we will need additional capital to advance and expand our research pipeline, conduct preclinical studies, proceed to develop and commercialize any approved products, and explore other pipeline opportunities. Our estimates of the sufficiency of our cash, cash equivalents and marketable securities are based on assumptions that may prove to be wrong, and we could use our available capital resources sooner than we expect. Further, changing circumstances, some of which may be beyond our control, could cause us to consume capital significantly faster than we currently anticipate, and we may need to seek additional funds sooner than planned. Conducting preclinical studies, conducting clinical trials, pursuing regulatory approvals, establishing outsourced manufacturing relationships and successfully manufacturing and commercializing our product candidates is, and will be, very time- consuming, expensive and an uncertain process that takes years to complete. Our future need for additional funding depends on many factors, including: • the scope, progress, results and costs of researching and developing our preclinical product candidates and other future product candidates we may develop; • the timing and uncertainty of, and the costs involved in, obtaining marketing approvals for our preclinical product candidates and future product candidates we may develop and pursue; • the number of future product candidates that we may pursue and their development requirements; • the number of jurisdictions in which we plan to seek regulatory approvals; •**

~~if approved, the costs of commercialization activities for any product candidate that receives regulatory approval to the extent such costs are not the responsibility of any future collaborators, including the costs and timing of establishing product sales, marketing, distribution and manufacturing capabilities; • subject to receipt of regulatory approval, revenue, if any, received from commercial sales of any product candidates; • the extent to which we in- license or acquire rights to other products, product candidates or technologies; • the extent to which we out- license or collaborate with other companies on the research and development of our preclinical product candidates and other future product candidates; • our headcount growth and associated costs as we expand our research and development and establish a commercial infrastructure; • the costs of preparing, filing and prosecuting patent applications, maintaining and protecting our intellectual property rights, including enforcing and defending intellectual property related claims; • any product liability lawsuits related to our products; • the ongoing costs of operating as a public company; and • the impact of the ongoing COVID- 19 pandemic, which may exacerbate the magnitude of the factors discussed above. We cannot be certain that additional funding will be available on acceptable terms, or at all. Our ability to raise additional capital may be adversely impacted by disruptions to, or continuing volatility in, the credit and financial markets in the United States and worldwide, including increased volatility in the trading prices for shares of public companies in the biopharmaceutical sector, the impact of ongoing COVID- 19 pandemic, actual and perceived changes in interest rates and inflation, macroeconomic uncertainties, or otherwise. We also rely, to a lesser extent, on U. K. research and development tax credits and incentives for funding, and our ability to continue to benefit from such credits and incentives will depend on our ability to continue meet the applicable requirements for them. We have no committed source of additional capital and if we are unable to raise additional capital in sufficient amounts or on terms acceptable to us, we may have to significantly delay, scale back or discontinue the development or commercialization of our product candidates or other research and development initiatives. We are in the early stages of research and development efforts, and our current product candidates are still in preclinical development. If we are unable to successfully develop and commercialize product candidates or experience significant delays in doing so, our business may be harmed. Drug development is a highly uncertain undertaking and involves a substantial degree of risk. For example, in 2022, we discontinued the further development of ETX- 810, and in February 2023, we paused the further development of ETX- 155. We determined it was in the best interest of our stockholders to re- prioritize our pipeline to focus on our preclinical Kv7. 2 / 3 program and the development of our lead Kv7. 2 / 3 candidate, ETX- 123. We have not initiated clinical trials for any of our current research programs, including ETX- 123~~ . To date, we have not initiated or completed a pivotal clinical trial, obtained marketing approval for any product candidates, manufactured a commercial scale product or arranged for a third party to do so on our behalf, or conducted sales and marketing activities necessary for successful product commercialization. Our short operating history as a company makes any assessment of our future success and viability subject to significant uncertainty. We will encounter risks and difficulties frequently experienced by early- stage biotechnology companies in rapidly evolving fields, and we have not yet demonstrated an ability to successfully overcome such risks and difficulties. If we do not address these risks and difficulties successfully, our business may be harmed. We **currently** have **no source of product revenue and may** never **become profitable. We have paused further development of our programs and to date, we have not** generated any **revenues from commercial product sales, or otherwise. Our ability to generate** revenue from product sales and ~~we may never generate revenue or be profitable. We have no products approved for commercial sale. To obtain revenues from the sales of our product candidates that are significant or large enough to~~ achieve profitability **will depend upon our ability** , ~~we must succeed, either~~ alone or with ~~third parties~~ **any future collaborators** , ~~in~~ **to successfully commercialize any products that we may** ~~developing~~ --- **develop** , ~~obtaining~~ **in- license or acquire in the future. Even if we are able to successfully achieve** regulatory approval for **any future product candidates** , ~~manufacturing and marketing therapies with significant commercial success~~ **we do not know when any of these products will generate revenue from product sales for us, if at all** . Our ability to generate revenue ~~and achieve profitability~~ **from any of our future product candidates also** depends on ~~many~~ **a number of additional** factors, including **our or any future collaborators' ability to** : • ~~successfully completing~~ **complete** ~~preclinical and~~ **development activities, including the necessary** clinical **trials** ~~development of our product candidates~~ ; • ~~assessing~~ **complete** and **submit** ~~/ or developing~~ new ~~product candidates~~ **drug applications, or NDAs, to the U. S. Food and Drug Administration, or FDA, and obtain regulatory approval** ~~or~~ **for** ~~potential new~~ indications for ~~our current product candidates~~ **which there is a commercial market** ; • **complete** ~~developing a sustainable~~ and **submit applications to** ~~scalable manufacturing process for our product candidates~~ , ~~as well as establishing~~ and ~~maintaining~~ **obtain regulatory approval from, foreign regulatory authorities; • set a** commercially viable **price for our products; • establish and maintain** supply **and manufacturing** relationships with third parties **, and ensure adequate and legally compliant manufacturing of bulk drug substances and drug products to maintain** that **supply** ~~can provide adequate products and services to support clinical activities and commercial demand for our product candidates~~ ; • ~~negotiating favorable terms in~~ **develop a commercial organization capable of sales, marketing and distribution for** any **products** ~~collaboration, licensing or~~ **for** ~~other arrangements into~~ which we ~~may enter~~ **obtain marketing approval and intend to sell ourselves in the markets in which we choose to commercialize on our own** ; • ~~obtaining regulatory approvals and~~ **find suitable distribution partners to help us** ~~marketing~~ --- **market** ~~authorizations for~~ **, sell and distribute our approved** ~~product~~ **products in other markets** ~~candidates for which we successfully complete clinical development~~ ; • ~~launching and successfully commercializing product candidates for which we~~ obtain **coverage** ~~regulatory and marketing approval, either by establishing a sales, marketing and distribution infrastructure or collaborating with a partner; • negotiating and maintaining an~~ **and** adequate **reimbursement from third** ~~price for our product candidates, both in the United States and in foreign countries where our products are commercialized; • satisfying any post~~ - ~~marketing requirements~~ **party payors, including government** and ~~obtaining reimbursement for its products from~~ private ~~insurance or government~~ payors; • ~~obtaining~~ **achieve** market acceptance ~~of~~ **for** our ~~product~~ **products , if any** ~~candidates as viable treatment options~~ ; • **establish,** ~~building out new facilities or expanding existing facilities to support our ongoing development activity; • addressing any competing technological and market developments; •~~

~~maintaining~~ --- **maintain** ~~, and protecting~~ --- **protect** ~~, expanding and enforcing~~ our ~~portfolio of~~ intellectual property rights ~~, including patents, trade secrets and know- how~~; and • ~~attracting~~ --- **attract** , ~~hiring~~ **hire** and ~~retaining~~ --- **retain** qualified personnel. **In addition,** ~~Because~~ **because** of the numerous risks and uncertainties associated with ~~drug~~ **pharmaceutical product** development **, any future product candidates may not advance through development or achieve the endpoints of applicable clinical trials** , we are unable to predict the timing or amount of ~~our~~ **increased** expenses, or when **or if** we will be able to ~~generate any meaningful revenue or~~ achieve or maintain profitability ~~, if ever~~ . In addition, our expenses could increase beyond ~~our current~~ expectations if we **decide, or** are required by the FDA ~~,~~ or foreign regulatory ~~agencies~~ **authorities** , to perform studies or ~~clinical~~ trials in addition to those that we currently anticipate ~~, or~~ **. Even** if **we can complete** ~~there~~ -- **the** ~~are~~ **development and regulatory process for** any ~~delays in any of our or our~~ future ~~collaborators' clinical trials or the development of any of our~~ product candidates ~~. Even if one or more of our product candidates is approved for commercial sale, absent our entering into a collaboration or partnership agreement~~ , we anticipate incurring significant costs associated with commercializing **these products. Even if we can generate revenues from the sale of** any **future product candidates that may be** approved ~~product candidate~~ **, we may not become profitable** and ~~ongoing compliance efforts~~ **may need to obtain additional funding to continue operations. If we fail to become profitable or are unable to sustain profitability on a continuing basis, then we may be unable to continue our operations at planned levels and be forced to reduce our operations** . Risks Related to our Business and the Development of our Product Candidates Our ~~business~~ **future success is dependent primarily on the regulatory approval and commercialization of our future product candidates. We do not have any products that have gained regulatory approval. As a result, our prospects, including our ability to finance our operations and generate revenue, are** substantially ~~depends~~ **dependent on our ability** ~~upon the successful development of ETX- 123. If we are unable~~ to obtain regulatory approval for, and **, if approved, to** successfully commercialize **any future product candidates** ~~, ETX- 123, our business will be harmed~~ . We ~~currently have no~~ **cannot commercialize our future** ~~products~~ -- **product** ~~approved for sale and are investing the majority of our efforts and financial resources in the development of our lead candidate~~ **candidates in the United States without first obtaining** ~~ETX- 123. Successful continued preclinical development and potential clinical development and~~ regulatory approval ~~of ETX- 123~~ for ~~indications we are currently evaluating and potential additional indications is critical to~~ the **product from the FDA; similarly, we cannot commercialize our** future ~~success of our business. Before we can generate any revenue from sales of ETX- 123 or any of our other programs, these programs must undergo additional preclinical and clinical development, regulatory review and approval in one or more jurisdictions. In addition, if one or more of our~~ product candidates **outside** ~~are approved, we must ensure access to sufficient commercial manufacturing capacity and conduct significant marketing efforts in connection with any commercial launch. These efforts will require substantial investment, and we may not have the financial resources to continue development~~ of ~~our product candidates or commercialization of any products. We have experienced, and may in~~ the **United States without obtaining** ~~future experience, setbacks that could delay or prevent~~ regulatory approval ~~of our product candidates or our ability to commercialize any products, including: • negative or inconclusive results~~ from ~~our preclinical studies or clinical trials or the clinical trials of others for product candidates similar to ours, such as the failure of ETX- 810 to achieve its primary endpoint in either of our Phase 2a trials in subjects with diabetic peripheral neuropathic pain (DPNP) and lumbosacral radicular pain (LSRP), respectively, leading to a decision or requirement to conduct additional preclinical testing or clinical trials or abandon a program or an indication; • product- related side effects experienced by subjects in our clinical trials or by individuals using drugs or therapeutics similar to our product candidates; • delays in submitting INDs in the United States or comparable foreign applications or delays or failure in obtaining the necessary approvals from regulators or institutional review boards to commence a clinical trial, or a suspension or termination of a clinical trial once commenced; • if the FDA or comparable foreign authorities do not accept the earlier preclinical and clinical trial work, then we may need to conduct additional preclinical studies beyond those that we currently have planned and significant preclinical study or clinical trial delays also could shorten any periods during which we may have the exclusive right to commercialize our drug candidates or allow our competitors to bring products to market before we do and impair our ability to successfully commercialize our drug candidates and may harm our business; • conditions imposed by the FDA or comparable foreign authorities regarding the scope or design of our future clinical trials; delays in contracting with clinical sites or enrolling subjects in clinical trials, including due to the ongoing COVID- 19 pandemic; • delays or interruptions in the supply of materials necessary for the conduct of future clinical trials; • regulators or institutional review boards (IRBs) or ethics committees may not authorize us or our investigators to commence a clinical trial or conduct a clinical trial at a prospective trial site; • the FDA or other comparable regulatory authorities may disagree with our clinical trial design, including with respect to dosing levels administered in our anticipated clinical trials, which may delay or prevent us from initiating our clinical trials with our originally intended trial design; • delays in reaching, or failure to reach, agreement on acceptable terms with prospective trial sites and prospective contract research organizations (CROs) which can be subject to extensive negotiation and may vary significantly among different CROs and trial sites; • the number of subjects required for clinical trials of any product candidates may be larger than we anticipate or subjects may drop out of these clinical trials or fail to return for post- treatment follow- up at a higher rate than we anticipate; • our third- party contractors for preclinical studies or clinical trials may fail to comply with regulatory requirements or meet their contractual obligations to us in a timely manner, or at all, or may deviate from the clinical trial protocol or take actions that could cause clinical sites or clinical investigators to drop out of the trial, which may require that we add new clinical trial sites or investigators; • due to the impact of the ongoing COVID- 19 pandemic or other events beyond our control, we may experience some delays and interruptions to our preclinical studies and clinical trials, we may experience delays or interruptions to our manufacturing supply chain, or we could suffer delays in reaching, or we may fail to reach, agreement on acceptable terms with third- party service providers on whom we rely; • greater than anticipated clinical trial costs, including as a result of delays or interruptions that could increase the overall costs to finish our clinical trials as our fixed costs are not substantially reduced during delays; • we may elect to, or regulators, IRBs, Data**

~~Safety Monitoring Boards (DSMBs), or ethics committees may require that we or our investigators, suspend or terminate clinical research or trials for various reasons, including noncompliance with regulatory requirements or a finding that the participants are being exposed to unacceptable health risks; • we may not have the financial resources available to begin and complete trials, or the cost of clinical trials of any product candidates may be greater than we anticipate; • inability to make improvements in formulations of our product candidates that may be desirable for late- stage clinical development and commercialization; • the supply or quality of our product candidates or other materials necessary to conduct clinical trials of our product candidates may be insufficient or inadequate to initiate or complete a given clinical trial; • the FDA or other~~ comparable foreign regulatory authorities ~~may require us~~ **. The FDA review process for an NDA typically takes more than a year** to ~~submit additional data such as long~~ **complete and approval is never guaranteed. Before obtaining regulatory approvals for the commercial sale of our future product candidates for a target indication, we must demonstrate with substantial evidence gathered in preclinical and well - controlled** ~~term toxicology studies, or impose other requirements before permitting us to initiate a~~ clinical ~~trial~~ **trials** , **generally** including **at least** ~~because the FDA has not reviewed our preclinical or clinical data, to two date~~ **well- controlled Phase 3 trials** , ~~having been developed outside~~ **and, with respect to approval in** the United States **, to the satisfaction of the FDA, that the product candidate is safe and effective for use for that target indication and that the manufacturing facilities, processes and controls are adequate. Obtaining regulatory approval for marketing of our future product candidates in one country does not ensure we will be able to obtain regulatory approval in other countries but a failure or delay in obtaining regulatory approval in one country may have a negative effect on the regulatory process in other countries. Even if our future product candidates were to successfully obtain approval from the FDA and comparable foreign regulatory authorities, any approval might contain significant limitations related to use restrictions for specified age groups, gender or subpopulation of target indication, warnings, precautions or contraindications, or may be subject to burdensome post- approval study or risk management requirements. If we are unable to obtain regulatory approval for one or more jurisdictions, or any approval contains significant limitations, we may not be able to obtain sufficient funding or generate sufficient revenue to continue the development of any of our future product candidate that we may discover, in- license, develop or acquire in the future. Also, any regulatory approval of any of our future product candidates, once obtained, may be withdrawn. Furthermore, even if we obtain regulatory approval for any of our future product candidates, their commercial success will depend on a number of factors, including the following: • development of a commercial organization or establishment of a commercial collaboration with a commercial infrastructure** ; • ~~inability to compete with other therapies~~ **establishment of commercially viable pricing and adequate reimbursement from third- party and government payors** ; • ~~poor~~ **the ability of our third- party manufacturers to manufacture quantities of our products in commercially sufficient processes and at a scale sufficient to meet anticipated demand and enable us to reduce our cost of manufacturing; • our success in educating physicians and patients about the benefits, administration and use of our products; • the availability, perceived advantages, relative cost, relative safety and relative** efficacy of **alternative and competing treatments; • the effectiveness of our own or our potential strategic collaborators' marketing, sales and distribution strategy and operations; • acceptance of our products as safe and effective by patients and the medical community; and • a continued acceptable safety profile of our products following approval. Many of these factors are beyond our control. If we, or our potential commercialization collaborators, are unable to successfully commercialize** our product candidates ~~during clinical trials , such as~~ **we may not be able to earn sufficient revenues to continue our business. Even if our future product candidates receive regulatory approval,** ~~the~~ **they** ~~failure~~ **may still face future development and regulatory difficulties. Even if we obtain regulatory approval for a future product candidate, it would be subject to ongoing requirements by the FDA and comparable foreign regulatory authorities governing the manufacture, quality control, further development, labeling, packaging, storage, distribution, safety surveillance, import, export, advertising, promotion, recordkeeping and reporting** of ~~ETX~~ **safety and other post - market information. The safety profile** ~~810 to meet its primary endpoint in either~~ of ~~our Phase 2a trials in DPNP and LSRP, respectively; • unfavorable FDA or other regulatory agency inspection and review of clinical trial sites or manufacturing facilities; • failure to obtain product labeling for indications we are evaluating, such as subgroups of patients with depressive disorders; • unfavorable product labeling associated with~~ any product **will continue to be closely monitored by the FDA and comparable foreign regulatory authorities after** ~~approvals~~ **approval** ~~and~~ **. If the FDA or comparable foreign regulatory authorities become aware of new safety information after approval of** any ~~requirements~~ **future product candidate, they may require labeling changes** ~~for~~ **or establishment of** a Risk Evaluation and Mitigation Strategy (REMS) **or similar strategy, impose significant restrictions on a product' s indicated uses or marketing, or impose ongoing requirements for potentially costly post- approval studies or post- market surveillance. In addition, manufacturers of drug products and their facilities are subject to continual review and periodic inspections by the FDA and other regulatory authorities for compliance with current good manufacturing practice (cGMP), requirements and other regulations. If we or a regulatory agency discover previously unknown problems with a product, such as adverse events of unanticipated severity or frequency, or problems with the facility where the product is manufactured, a regulatory agency may impose restrictions on** that **product,** ~~may be required by~~ the ~~FDA~~ **manufacturing facility or us, including requiring recall or withdrawal of the product from the market or suspension of manufacturing. If we,** ~~or~~ **our** ~~comparable~~ **product candidates or the manufacturing facilities for our product candidates, fail to comply with applicable regulatory** requirements **, a regulatory agency may: • issue warning letters or untitled letters** ~~in other jurisdictions to ensure the benefits of an individual product outweigh its risks~~ ; • ~~unfavorable acceptance of~~ **impose restrictions on the marketing** ~~our~~ - **or manufacturing of** ~~clinical trial data by~~ the **product candidates** ~~patient or medical communities or third- party payors~~ ; • ~~failure of~~ **mandate modifications to promotional materials** ~~our~~ - **or require us to provide corrective information to healthcare practitioners; • require us or any future collaborator to enter into a consent decree, which can include**

imposition of various fines, reimbursements for inspection costs, required due dates for specific remediation actions and penalties for noncompliance; • seek an injunction or impose civil or criminal penalties or monetary fines; • suspend or withdraw regulatory approval; • suspend any ongoing clinical trials; • refuse to approve pending applications or supplements to applications filed by us; • suspend or impose restrictions on operations, including costly new manufacturing requirements; or • seize or detain products, refuse to permit the import or export of products, or require us to initiate a product recall. The occurrence of any event or penalty described above may inhibit our ability to commercialize any future product candidates and generate revenue. The FDA strictly regulates the advertising and promotion of drug products, and drug products may only be marketed or promoted for ~~third~~ **their FDA approved uses, consistent with the product' s approved labeling. Advertising and promotion of any product candidate that obtains approval in the United States will be heavily scrutinized by the FDA, the DOJ, the Office of Inspector General of the Department of Health and Human Services, state attorneys general, members of Congress and the public. Violations, including promotion of our products for unapproved or off** ~~party contractors or~~ **label uses, are subject to enforcement letters, inquiries and** ~~investigators~~ **investigations , and civil, criminal and / or administrative sanctions by the FDA and other enforcement authorities. Additionally, advertising and promotion of any product candidate that obtains approval outside of the United States will be heavily scrutinized by relevant foreign regulatory authorities. In the United States, engaging in impermissible promotion of our future products for off- label uses can also subject us to false claims litigation under federal and state statutes, which can lead to numerous actions, including civil, criminal and / or administrative penalties and fines and agreements that materially restrict the manner in which we promote or distribute our drug products. These false claims statutes include the federal False Claims Act, which allows the federal government, or any individual relator or whistleblower on behalf of the federal government to bring a lawsuit against a pharmaceutical company alleging submission of false or fraudulent claims, or causing to present such false or fraudulent claims, for payment by a federal program such as Medicare or Medicaid. If the government prevails in the lawsuit, the individual relator may share in any fines or settlement funds. Since 2004, these False Claims Act lawsuits against pharmaceutical companies have increased significantly in volume and breadth, leading to several substantial civil and criminal settlements based on certain sales practices promoting off- label drug uses. This growth in litigation has increased the risk that a pharmaceutical company will have to defend a false claim action, pay settlement fines or restitution, agree** to comply with **burdensome reporting and compliance** ~~regulatory requirements or otherwise meet their contractual~~ obligations ~~in a timely manner~~ , **and be excluded from** ~~or at all; • delays related to~~ the **Medicare, Medicaid and** ~~impact or the spread of COVID- 19 or~~ other **federal** ~~pandemics, including the impact of COVID- 19 on the FDA' s, or any similar foreign regulatory agency' s, ability to continue its normal operations; • delays~~ and **state healthcare programs** ~~changes in regulatory requirements, policy and guidelines, including the imposition of additional regulatory oversight around clinical testing generally or with respect to our technology in particular; or • varying interpretations of data by the FDA and similar foreign regulatory agencies~~ . ~~We~~ **If we** do not **lawfully promote our products once they** have ~~complete control over many of these factors, including certain aspects of clinical development and the regulatory submission process. For example, in both of our Phase 2a clinical trials in DPNP and LSRP, ETX- 810 did not achieve statistically significant separation from placebo on the trial' s primary endpoint. Based on these results, we discontinued further development of ETX- 810. In addition, in February 2023, we announced that we were pausing clinical development of ETX- 155 for MDD. We have initiated the scaling up synthesis of our lead candidate ETX- 123, to enable the initiation of IND- enabling safety studies, with Phase 1 studies planned to initiate in the first half of 2024. However, we cannot be sure that submission of an IND will result in the FDA allowing testing and clinical trials to begin, or that, once begun, issues will not arise that suspend or terminate such clinical trials. Additionally, even if such regulatory authorities agree with the design and implementation of the clinical trials set forth in an IND or clinical trial application, we cannot guarantee that such regulatory authorities will not change their requirements in the future. Furthermore, even if we do receive~~ **received** regulatory approval ~~for any potential product candidate we may develop for any indication~~ , ~~any~~ **we may become subject to** such ~~approval may be subject to limitations~~ - **litigation and** ~~on the indications or uses or patient populations for which we may market the product. Accordingly~~ , ~~even~~ if we are ~~able to obtain~~ **not successful in defending against such actions,** ~~the~~ **those** ~~requisite~~ **actions could have a material adverse effect our business, results of operations,** ~~financing~~ **financial** ~~to continue to fund our development programs, we cannot assure~~ **condition and cash flows and future prospects. Existing government regulations may change and additional government regulations may be enacted** that **could prevent, limit** ~~we will successfully develop or commercialize ETX- 123 or any other potential product candidate we may develop for~~ - **or delay** ~~any indication. If we or any of our future collaborators are unable to develop, or obtain~~ regulatory approval **of any future product candidates. If we are slow** ~~for~~ - **or** ~~,~~ **unable to adapt to changes in existing requirements** or **the adoption of new requirements or policies** , **or** if ~~approved, successfully commercialize ETX- 123 for indications~~ we are ~~currently evaluating or potential additional indications~~ **not able to maintain regulatory compliance** , ~~or~~ **we may lose** any **marketing approval that** ~~other potential product candidate~~ we may **have obtained and /** ~~develop, we may not be able to generate sufficient revenue to continue our~~ - **or be subject to fines** ~~business. In addition, our~~ - **or enhanced government oversight and reporting obligations,** ~~failure to demonstrate positive results in our preclinical studies or in future clinical trials in any indication for~~ which ~~we are developing ETX- 123 could~~ **would** adversely affect our ~~development efforts~~ **business, prospects and ability to achieve** ~~for~~ - **or sustain profitability** ~~ETX- 123 in other indications~~ . Preclinical and clinical development involves a lengthy, complex and expensive process with an uncertain outcome. The outcome of preclinical testing and early clinical trials may not be predictive of the success of later clinical trials, and the results of our clinical trials may not satisfy the requirements of the FDA or comparable foreign regulatory authorities. To obtain the requisite regulatory approvals to commercialize any **future** product candidates, we must demonstrate through extensive preclinical studies and clinical trials that our product candidates are safe and effective in humans to the satisfaction of FDA. Clinical testing is expensive and can take

many years to complete, and its outcome is inherently uncertain. In particular, in the United States, the general approach for FDA approval of a new drug is dispositive data from two well- controlled, Phase 3 clinical trials of the relevant drug in the relevant patient population. Phase 3 clinical trials typically involve hundreds to thousands of patients, have significant costs and take years to complete. A product candidate can fail at any stage of testing, even after observing promising signs of activity in earlier preclinical studies or clinical trials, as demonstrated by the failure of ETX- 810 to achieve statistically significant separation from placebo on the primary endpoint in either of our Phase 2a clinical trials in DPNP and LSRP, respectively. The results of preclinical studies and early clinical trials of our product candidates may not be predictive of the results of later- stage clinical trials. For example, preclinical models evaluating product candidates for pain are notoriously unreliable and, as such, the therapies face substantial translational risk. In addition, initial success in clinical trials may not be indicative of results obtained when such trials are completed. There is typically an extremely high rate of attrition from the failure of product candidates proceeding through clinical trials. Product candidates in later stages of clinical trials may fail to show the desired safety and efficacy profile despite having progressed through preclinical studies and initial clinical trials. A number of companies in the biotechnology industry have suffered significant setbacks in advanced clinical trials due to lack of efficacy or emergence of unacceptable safety issues, notwithstanding promising results in earlier trials. Most product candidates that commence clinical trials are never approved and there can be no assurance that any of our future clinical trials will ultimately be successful or support further preclinical or clinical development of ETX- 123 **, ETX- 155** or any of our other product candidates. The commencement and rate of completion of preclinical studies and clinical trials may be delayed by many factors, including: • inability to generate sufficient preclinical or other in vivo or in vitro data to support the initiation of clinical studies; • preclinical studies or clinical trials may show the product candidates to be less effective than expected (e. g., a clinical trial could fail to meet its primary endpoint (s)) or to have unacceptable side effects or toxicities; • failure to establish clinical endpoints that applicable regulatory authorities would consider clinically meaningful; • delays in reaching agreement on acceptable terms with prospective CROs, and clinical trial sites, the terms of which can be subject to extensive negotiation and may vary significantly among different CROs and clinical trial sites; • delays in identifying, recruiting and training suitable clinical investigators; • differences in trial design between early- stage clinical trials and later- stage clinical trials make it difficult to extrapolate the results of earlier clinical trials to later clinical trials ~~(e. g., we based our therapeutic hypothesis for ETX- 810 on studies conducted in the academic setting and the results from the academic studies were not replicated in our Phase 2a clinical trials of ETX- 810)~~ ; • delays in recruiting suitable patients to participate in our clinical trials; • delays in manufacturing, testing, releasing, validating or importing / exporting sufficient stable quantities of our product candidates for use in clinical trials or the inability to do any of the foregoing; • insufficient or inadequate supply or quality of product candidates or other materials necessary for use in clinical trials, or delays in sufficiently developing, characterizing or controlling a manufacturing process suitable for clinical trials; • imposition of a temporary or permanent clinical hold by regulatory authorities; • developments on trials conducted by competitors for related technology that raises FDA or foreign regulatory authority concerns about risk to patients of the technology broadly, or if the FDA or a foreign regulatory authority finds that the investigational protocol or plan is clearly deficient to meet its stated objectives; • delays in recruiting, screening and enrolling patients and delays caused by patients withdrawing from clinical trials or failing to return for post- treatment follow- up; • difficulty collaborating with patient groups and investigators; • failure by our CROs, other third parties or us to adhere to clinical trial protocols; • failure to perform in accordance with the FDA' s or any other regulatory authority' s good clinical practice requirements (GCPs) or applicable regulatory guidelines in other countries; • occurrence of adverse events associated with the product candidate that are viewed to outweigh its potential benefits, or occurrence of adverse events in trial of the same class of agents conducted by other companies; • the cost of clinical trials of our product candidates being greater than we anticipate; • clinical trials of our product candidates producing negative or inconclusive results, which may result in our deciding, or regulators requiring us, to conduct additional clinical trials or abandon development of such product candidates; • transfer of manufacturing processes to larger- scale facilities operated by a third- party contract development and manufacturing organization (CDMO) and delays or failure by our CDMOs or us to make any necessary changes to such manufacturing process; and • third parties being unwilling or unable to satisfy their contractual obligations to us. ~~In addition, disruptions caused by the ongoing COVID- 19 pandemic may increase the likelihood that we encounter such difficulties or delays in initiating, enrolling, conducting or completing our planned and ongoing preclinical studies and clinical trials.~~ Any inability to successfully initiate or complete preclinical studies or clinical trials could result in additional costs to us or impair our ability to generate revenue from product sales. In addition, if we make manufacturing or formulation changes to our product candidates, we may be required to or we may elect to conduct additional studies to bridge our modified product candidates to earlier versions. Clinical trial delays could also shorten any periods during which our products have patent protection and may allow our competitors to bring products to market before we do, which could impair our ability to successfully commercialize our product candidates and may seriously harm our business. Further, clinical trials that we may undertake in the future will likely contain endpoints that require subjective assessments and subject us to a substantial risk of " placebo effect " which is a well- known risk in clinical trials evaluating therapeutics for pain as well as depression. While a product candidate may show clinical activity or therapeutic benefit, a high placebo effect in a clinical trial will make it difficult to ascertain that benefit or to show statistically significant effect of the product candidate as compared to the control arm and may ultimately cause a clinical trial to fail. ~~For example, in both of our Phase 2a clinical trials in DPNP and LSRP, respectively, ETX- 810 did not achieve statistically significant separation from placebo on the trial' s primary endpoint.~~ Moreover, principal investigators for our future clinical trials may serve as scientific advisors or consultants to us ~~from time to time~~ and receive compensation in connection with such services. Under certain circumstances, we may be required to report some of these relationships to the FDA or comparable foreign regulatory authorities. The FDA or comparable foreign regulatory authority may conclude that a financial relationship between us and a principal investigator has created a conflict of interest or otherwise affected interpretation of the study. The FDA or comparable foreign regulatory authority may

therefore question the integrity of the data generated at the applicable clinical trial site and the utility of the clinical trial itself may be jeopardized. This could result in a delay in approval, or rejection, of our marketing applications by the FDA or comparable foreign regulatory authority, as the case may be, and may ultimately lead to the denial of marketing approval of one or more of our product candidates. Delays in the completion of any preclinical studies or clinical trials of our product candidates will increase our costs, slow down our product candidate development and approval process and delay or potentially jeopardize our ability to commence product sales and generate product revenue. In addition, many of the factors that cause, or lead to, a delay in the commencement or completion of clinical trials may also ultimately lead to the denial of regulatory approval of our product candidates. Any delays to our preclinical studies or clinical trials that occur as a result could shorten any period during which we may have the exclusive right to commercialize our product candidates and our competitors may be able to bring products to market before we do, and the commercial viability of our product candidates could be significantly reduced. Any of these occurrences may harm our business, financial condition and prospects significantly. If we seek to conduct clinical trials in foreign countries or pursue marketing approvals in foreign jurisdictions, we must comply with numerous foreign regulatory requirements governing, among other things, the conduct of clinical trials, manufacturing and marketing authorization, pricing and third- party reimbursement. The foreign regulatory approval process varies among countries and jurisdictions and may include all of the risks associated with FDA approval described above **and** ~~as well as~~ risks attributable to the satisfaction of local regulations in foreign jurisdictions. Moreover, the time required to obtain approval may differ jurisdiction- to- jurisdiction from that required to obtain FDA approval. Approval by foreign regulatory authorities does not ensure approval by the FDA and, similarly, approval by the FDA does not ensure approval by regulatory authorities outside the United States. Successful completion of clinical trials is a prerequisite to submitting a marketing application to foreign regulatory authorities or the FDA, for each product candidate and, consequently, the ultimate approval and commercial marketing of any product candidates. We may experience negative or inconclusive results, or regulators may be unwilling to accept preclinical or clinical data obtained in foreign jurisdictions, which may result in our deciding, or our being required by regulators, to conduct additional clinical studies or trials or abandon some or all of our product development programs, which could harm our business. ~~Public health crises such as pandemics or similar outbreaks could materially and adversely affect our preclinical studies and clinical trials, business, financial condition and results of operations. As a result of the COVID- 19 pandemic, or similar pandemics, and related public health guidance measures, we have and may in the future experience disruptions that could materially and adversely impact our clinical trials, business, financial condition and results of operations. Potential disruptions include but are not limited to: • delays or difficulties in enrolling patients in our clinical trials; • delays or difficulties in initiating or expanding clinical trials, including delays or difficulties with clinical site initiation and recruiting clinical site investigators and clinical site staff; • increased rates of patients withdrawing from our clinical trials following enrollment as a result of contracting COVID- 19 or other health conditions or being forced to quarantine; • interruption of key clinical trial activities, such as clinical trial site data monitoring and efficacy, safety and translational data collection, processing and analyses, due to limitations on travel imposed or recommended by federal, state or local governments, employers and others or interruption of clinical trial subject visits, which may impact the collection and integrity of subject data and clinical study endpoints; • diversion of healthcare resources away from the conduct of clinical trials, including the diversion of hospitals serving as our clinical trial sites and hospital staff supporting the conduct of our clinical trials; • delays or disruptions in preclinical experiments and IND- enabling studies due to restrictions of on- site staff and unforeseen circumstances at CROs and vendors; • interruption or delays in the operations of the FDA and comparable foreign regulatory agencies; • interruption of, or delays in receiving, supplies of our product candidates from our contract manufacturing organizations due to staffing shortages, production slowdowns or stoppages and disruptions in delivery systems; • delays in receiving approval from local regulatory authorities to initiate our planned clinical trials; • limitations on employee or other resources that would otherwise be focused on the conduct of our clinical trials and preclinical work, including because of sickness of employees or their families, the desire of employees to avoid travel or contact with large groups of people, an increased reliance on working from home, school closures or mass transit disruptions; • changes in regulations as part of a response to the COVID- 19 pandemic, or similar pandemics, which may require us to change the ways in which our clinical trials are conducted, which may result in unexpected costs, or to discontinue the clinical trials altogether; • delays in necessary interactions with regulators, ethics committees and other important agencies and contractors due to limitations in employee resources or forced furlough of government or contractor personnel; and • refusal of the FDA to accept data from clinical trials in affected geographies outside the United States. In addition, our business could be materially adversely affected by other business disruptions to us or our third- party providers that could materially adversely affect our potential future revenue and financial condition and increase our costs and expenses. Our operations, and those of our CROs, CDMOs and other contractors, consultants and third parties could be subject to other global pandemics, earthquakes, power shortages, telecommunications failures, water shortages, floods, hurricanes, typhoons, fires, extreme weather conditions, medical epidemics, geopolitical developments, and other natural or man- made disasters or business interruptions, for which we are predominantly self- insured. For example, war between Russia and Ukraine and the resulting sanctions by U. S. and European governments, together with any additional future sanctions or other actions by them, could have a larger impact that expands into other markets where we do business. Further, the conflict and resulting sanctions or other actions may adversely impact macroeconomic conditions and increase volatility in and affect our ability to access capital markets and external financing sources, as well as have other unforeseen adverse impacts on our business. The occurrence of any of these business disruptions could materially adversely affect our operations and financial condition and increase our costs and expenses. We rely on third- party manufacturers to produce and process our product candidates. Our ability to obtain clinical supplies of our product candidates could be disrupted if the operations of these suppliers are affected by a man- made or natural disaster or other business interruption.~~ Disruptions at the FDA, the ~~U. S. Securities and Exchange Commission (~~ SEC ~~)~~ and other government agencies caused by funding shortages or global health concerns could hinder their ability to hire and retain key leadership and

other personnel, prevent new products and services from being developed or commercialized in a timely manner or otherwise prevent those agencies from performing normal business functions on which the operation of our business may rely, which could negatively impact our business. The ability of the FDA to review and approve new products can be affected by a variety of factors, including government budget and funding levels, ability to hire and retain key personnel and accept the payment of user fees, and statutory, regulatory and policy changes. Average review times at the agency have fluctuated in recent years as a result. In addition, government funding of the SEC and other government agencies on which our operations may rely, including those that fund research and development activities, is subject to the political process, which is inherently fluid and unpredictable. Disruptions at the FDA and other agencies may also slow the time necessary for new drugs to be reviewed and / or approved by necessary government agencies, which would adversely affect our business. For example, in recent years, including in 2018 and 2019, the U. S. government shut down several times and certain regulatory agencies, such as the FDA and the SEC, had to furlough critical employees and stop critical activities. If a prolonged government shutdown occurs, it could significantly impact the ability of the FDA to timely review and process our regulatory submissions, which could have a material adverse effect on our business. Further, future government shutdowns could impact our ability to access the public markets and obtain necessary capital ~~in order~~ to properly capitalize and continue our operations. Our **future** product candidates may cause undesirable side effects or have other properties that could delay or prevent their regulatory approval, limit ~~their~~ -- **the** commercial ~~potential~~ **profile of an approved label,** or result in significant negative consequences following ~~regulatory~~ **any marketing** approval ~~, if obtained~~ . Undesirable side effects caused by ~~ETX- 123 or~~ **our** ~~any other current or~~ future **product** ~~candidate~~ **candidates** could cause us or regulatory authorities to interrupt, delay or ~~halt~~ **pause** clinical trials and could result in a more restrictive label or the delay or denial of regulatory approval by **the FDA or other comparable foreign regulatory authority. If undesirable side effects do occur in our future clinical trials they could cause delay or even discontinuance of further development of future product candidates, which would impair our ability to generate revenues and would have a material adverse effect on our business, results of operations, financial condition and cash flows and prospects. As a result of undesirable side effects or further safety issues that we may experience in our clinical trials in the future, we may not receive approval to market any future product candidates, which could prevent us from ever generating revenues or achieving profitability. Results of our trials could reveal an unacceptably high severity and prevalence of side effects. In such an event, our trials could be suspended or terminated and** the FDA or comparable foreign regulatory authorities ~~. Results of our clinical trials~~ could **order us** ~~reveal a high and unacceptable severity and prevalence of side effects or unexpected characteristics. In addition, many compounds that have initially showed promise in clinical or earlier stage testing are later found~~ to ~~cause~~ - **cease** ~~undesirable or unexpected side effects that prevented~~ further development of **, the compound. For** - **or deny** ~~example, ETX- 123 is a Kv7. 2 / 3 potassium channel opener. This mechanism has been validated through regulatory approvals~~ - **approval** of ~~multiple first generation Kv7. 2 / 3 openers for the treatment of epilepsy and pain. These molecules showed efficacy but subsequently had to be withdrawn from the market due to significant safety issues. There is no assurance that~~ , ~~if we are able to move our preclinical Kv7. 2 / 3 program forward, we will be able to avoid similar safety problems. Additionally, the composition of our product candidates or~~ **our** ~~learnings in preclinical studies or clinical trials may result in contraindications for any~~ product candidates for **any** ~~which we may obtain regulatory approval. If unacceptable side effects arise in the development of our~~ - **or all targeted indications** ~~product candidates, we may have difficulty recruiting patients to future clinical trials, patients may drop out of our trials, or we may be required to abandon the trials or our development efforts of that product candidate altogether~~ . **The** ~~We, the FDA, other comparable regulatory authorities or IRBs, DSMBs or independent ethics committees at the institutions in which our trials are conducted could suspend or terminate our trials for various reasons, including a belief that subjects in such trials are being exposed to unacceptable health risks or adverse side effects. Some potential therapeutics developed in the biotechnology industry that initially showed therapeutic promise in early- stage trials have later been found to cause side effects that prevented their further development. Even if the side effects do not preclude the product candidate from obtaining or maintaining marketing approval, undesirable side effects may inhibit market acceptance due to its tolerability versus other therapies. Any of these developments could materially adversely affect our business, financial condition and prospects. Treatment- emergent side effects that are deemed to be~~ drug- related **side effects** could ~~also~~ **affect patient recruitment or the ability of enrolled subjects to complete the trial or** result in potential product liability claims. ~~Undesirable side~~ **Any of these occurrences may have a material adverse** ~~effects~~ - **effect** ~~in one~~ - **on** ~~of our clinical trials (or~~ **our business, results** ~~in a clinical trial~~ of ~~a competitor' s product candidate with a similar mechanism~~ **operations, financial condition and cash flows and prospects. Additionally, if any** of ~~action) for~~ our **future** product candidates ~~in one indication could adversely affect enrollment in clinical trials, regulatory approval and commercialization of our product candidates in other indications. In addition, these side effects may not be appropriately recognized or managed by the treating medical staff. Any of these occurrences may harm our business. Moreover, clinical trials of our product candidates will be conducted in carefully defined sets of patients who have agreed to enter into clinical trials. Consequently, it is possible that our clinical trials, or those of any future collaborator, may indicate an apparent positive effect of a product candidate that is greater than the actual positive effect, if any, or alternatively fail to identify undesirable side effects. Clinical trials by their nature utilize a sample of the potential patient population. With a limited number of patients, rare and severe side effects of our product candidates may only be uncovered with a significantly larger number of patients exposed to the product candidate. If our product candidates receive~~ **receives** marketing approval **,** and we **,** or others **, later** identify undesirable side effects caused by such product ~~candidates (or any other similar products) after such approval~~ , a number of potentially significant negative consequences could result, including: • **we** ~~regulatory authorities~~ may ~~withdraw or limit their approval~~ **be forced to suspend marketing** of such product ~~candidates, or seek an injunction against its manufacture or distribution~~ ; • regulatory authorities may **withdraw their approvals of such product; • regulatory authorities may** require ~~the addition~~ **additional** ~~of labeling statements, " boxed "~~ warnings ~~,~~ **on the label that could diminish the usage** or **otherwise limit the commercial success of**

such products; • the FDA or other regulatory bodies may issue safety alerts, Dear Healthcare Provider letters, press releases or other communications containing warnings ~~or other safety information~~ about ~~the~~ **such** product; • ~~we may be required to change the way such product candidates are distributed or administered, or change the labeling of the product candidates; •~~ the FDA may require **the establishment or modification of** a REMS ~~plan to mitigate risks, which could include medication guides, physician communication plans or elements to assure safe use, such as restricted distribution methods, patient registries and other risk minimization tools, and regulatory authorities in other jurisdictions may require comparable risk mitigation plans; • we may be subject to regulatory investigations and government enforcement actions; • the FDA~~ or a comparable foreign regulatory authority may require **the establishment or modification of a similar strategy that may, for instance, restrict distribution of our products and impose burdensome implementation requirements on** us **; • we may be required** to **change the way the product is administered or** conduct additional clinical trials ~~or costly post- marketing testing and surveillance to monitor the safety and efficacy of the product~~ ; • we could be sued and held liable for ~~injury~~ **harm** caused to **subjects** ~~individuals exposed to or taking our~~ **or patients; • we may be subject to litigation or** product ~~candidates~~ **liability claims** ; and **•** our reputation may suffer. Any of these events could prevent us from achieving or maintaining market acceptance of the ~~affected~~ **particular** product ~~candidates~~ **candidate** ~~and could substantially increase the costs of commercializing our product candidates~~ , if approved ~~, and significantly impact our ability to successfully commercialize our product candidates and generate revenues~~ . If we encounter difficulties enrolling and / or retaining patients in our future clinical trials, our clinical development activities could be delayed or otherwise adversely affected. ~~We~~ **If we are able to move any of our product candidates to the clinical trial stage, we** may not be able to initiate or continue our planned clinical trials on a timely basis or at all for our product candidates if we are unable to recruit and enroll a sufficient number of eligible patients to participate in these trials through completion of such trials as required by the FDA or other comparable foreign regulatory authorities. Patient enrollment is a significant factor in the timing of clinical trials. Our ability to enroll eligible patients may be limited or may result in slower enrollment than we anticipate. There may be limited patient pools from which to draw for clinical studies. The eligibility criteria of our clinical studies will further limit the pool of available study participants as we will require that patients have specific characteristics that we can measure or to assure their disease is either severe enough or not too advanced to include them in a study. Patient enrollment for our current or any future clinical trials may be affected by other factors, including: • the patient eligibility criteria defined in the protocol; • the size of the patient population required for analysis of the trial' s primary endpoints; • the proximity of patients to trial sites; • the design of the trial; • the availability and efficacy of approved drugs for the disease under investigation; • perceived risks and benefits of the product candidate under study; • our ability to recruit clinical trial investigators with the appropriate competencies and experience; • competing clinical trials and clinicians' and patients' perceptions as to the potential advantages and risks of the product candidate being studied in relation to other available therapies, including any new drugs that may be approved for the indications that we are investigating; • clinicians' willingness to screen their patients for biomarkers to indicate which patients may be eligible for enrollment in our clinical trials ~~; • the impacts of the ongoing COVID- 19 pandemic on clinical trial sites, personnel and patient travel~~ ; • our ability to obtain and maintain patient consents; • patient referral practices of physicians; • the ability to monitor patients adequately during and after treatment; • proximity and availability of clinical trial sites for prospective patients; and • the risk that patients enrolled in clinical trials will drop out of the trials before completion. In addition, our clinical trials may compete with other clinical trials for product candidates that are in the same therapeutic areas as our product candidates, and this competition would reduce the number and types of patients available to us, because some patients who might have opted to enroll in our trials may instead opt to enroll in a trial being conducted by one of our competitors. Since the number of qualified clinical investigators is limited, we expect to conduct some of our clinical trials at the same clinical trial sites that some of our competitors use, which will reduce the number of patients who are available for our clinical trials in such clinical trial site. Our inability to enroll **enough** ~~a sufficient number of~~ patients for our clinical trials would result in significant delays or might require us to abandon one or more clinical trials ~~altogether~~ . Delays in patient enrollment may result in increased costs, affect the timing or outcome of the planned clinical trials, product candidate development and approval process and jeopardize our ability to seek and obtain the regulatory approval required to commence product sales and generate revenue, which could prevent completion of these trials, adversely affect our ability to advance the development of our product candidates, cause the value of our company to decline and limit our ability to obtain additional financing if needed. Furthermore, even if we **can** ~~are able to~~ enroll **enough** ~~a sufficient number of~~ patients for our clinical trials, we may have difficulty maintaining participation in our clinical trials through the treatment and any follow- up periods. We are also required to register certain clinical trials and post the results of completed clinical trials on a government- sponsored database, such as www. ClinicalTrials. gov in the United States, within certain time frames. Failure to do so can result in fines, adverse publicity and civil and criminal sanctions ~~. Interim, topline and preliminary data from our clinical trials that we announce or publish from time to time may change as more patient data become available and are subject to audit and verification procedures that could result in material changes in the final data. From time to time, we may publicly disclose preliminary or topline data from our preclinical studies and clinical trials, which is based on a preliminary analysis of then- available data, and the results and related findings and conclusions are subject to change following a more comprehensive review of the data related to the particular study or trial. We also make assumptions, estimations, calculations and conclusions as part of our analyses of data, and we may not have received or had the opportunity to fully and carefully evaluate all data. As a result, the topline or preliminary results that we report may differ from future results of the same studies, or different conclusions or considerations may qualify such results, once additional data have been received and fully evaluated. Topline and preliminary data also remain subject to audit and verification procedures that may result in the final data being materially different from the topline or preliminary data we previously published. As a result, topline and preliminary data should be viewed with caution until the final data are available. From time to time, we may also disclose interim data from our preclinical studies and clinical trials. Interim data from clinical trials that we may complete are subject to the risk that one or more of the~~

clinical outcomes may materially change as patient enrollment continues and more patient data become available or as patients from our clinical trials continue other treatments for their disease. Adverse differences between preliminary or interim data and final data could significantly harm our business prospects. Further, disclosure of interim data by us or by our competitors could result in volatility in the price of our common stock. Further, others, including regulatory agencies, may not accept or agree with our assumptions, estimates, calculations, conclusions or analyses or may interpret or weigh the importance of data differently, which could impact the value of the particular program, the approvability or commercialization of the particular product candidate or product and our company in general. In addition, the information we choose to publicly disclose regarding a particular study or clinical trial is based on what is typically extensive information, and you or others may not agree with what we determine is material or otherwise appropriate information to include in our disclosure. If the interim, topline or preliminary data that we report differ from actual results, or if others, including regulatory authorities, disagree with the conclusions reached, our ability to obtain approval for, and commercialize, our product candidates may be harmed, which could harm our business, operating results, prospects or financial condition. Due to the significant resources required for the development of our pipeline, and depending on our ability to access capital, we must prioritize development of certain product candidates. Moreover, we may fail to expend our limited resources on product candidates or indications that may be more profitable or for which there is a greater likelihood of success. We currently have one lead candidate, ETX-123. We seek to maintain a process of prioritization and resource allocation to maintain an optimal balance between aggressively advancing product candidates and ensuring replenishment of our portfolio. Due to the significant resources required for the development of our product candidates, we must focus on specific diseases and disease pathways and decide which product candidates to pursue and advance and the amount of resources to allocate to each. Our decisions concerning the allocation of research, development, collaboration, management, and financial resources toward particular product candidates or therapeutic areas may not lead to the development of any viable commercial product and may divert resources away from better opportunities; for example, in 2022, we discontinued further development of ETX-810, which did not achieve statistically significant separation from placebo on the primary endpoint in either of two Phase 2a clinical trials, and in 2023, we paused further development of ETX-155 due to capital market conditions and investor sentiment around the opportunity. If we make incorrect determinations regarding the viability or market potential of any of our product candidates or misread trends in the biotechnology industry, in particular for disorders of the peripheral and central nervous systems, our business may be harmed. As a result, we may fail to capitalize on viable commercial products or profitable market opportunities, be required to forego or delay pursuit of opportunities with other product candidates or other diseases and disease pathways that may later prove to have greater commercial potential than those we choose to pursue, or relinquish valuable rights to such product candidates through collaboration, licensing, or other royalty arrangements in cases in which it would have been advantageous for us to invest additional resources to retain sole development and commercialization rights. We may not be successful in our efforts to continue to create a pipeline of product candidates or to develop commercially successful products. If we fail to successfully identify and develop additional product candidates, our commercial opportunity may be limited. One of our strategies is to identify and pursue clinical development of additional product candidates. We currently have one program in the preclinical discovery stage, with one lead candidate ETX-123, several other compounds in the research, discovery, screening and preclinical stages of development, and an ongoing lead optimization campaign to finish exploring the current chemical series. Identifying, developing, obtaining regulatory approval and commercializing additional product candidates for the treatment of disorders of the peripheral and central nervous systems will require substantial additional funding and is prone to the risks of failure inherent in drug development. We cannot provide you any assurance that we will be able to successfully identify or acquire additional product candidates, advance any of these additional product candidates through the development process, successfully commercialize any such additional product candidates, if approved, or assemble sufficient resources to identify, acquire, develop or, if approved, commercialize additional product candidates. If we are unable to successfully identify, acquire, develop and commercialize additional product candidates, our commercial opportunity may be limited . We could be subject to product liability lawsuits based on the use of our product candidates in clinical testing or, if obtained, following our products' marketing approval and commercialization. Product liability lawsuits brought against us or any of our future collaborators could divert our resources and attention, require us to cease clinical testing, cause us to incur substantial liabilities or limit commercialization of our product candidates. We are exposed to potential product liability and professional indemnity risks that are inherent in the research, development, manufacturing, marketing and use of biotechnology products. Currently, we have no products that have been approved for commercial sale; however, the use of our product candidates by us and any collaborators in clinical trials may expose us to liability claims. We will face an even greater risk if product candidates are approved by regulatory authorities and introduced commercially. Product liability claims may be brought against us or our partners if any product candidate we develop allegedly causes injury or is found to be otherwise unsuitable for human use during product testing, manufacturing, marketing or sale. Any such product liability claim may include allegations of defects in manufacturing, defects in design, a failure to warn of dangers inherent in the product, negligence, strict liability and a breach of warranties. Claims could also be asserted under state consumer protection acts. Such claims could be made by participants enrolled in our clinical trials, patients, health care providers, biotechnology companies, our collaborators or others using, administering or selling any of our future approved products. If we cannot successfully defend ourselves against any such claims, we may incur substantial liabilities or be required to limit commercialization of our product candidates. Even successful defense would require significant financial and management resources. Regardless of the merits or eventual outcome, product liability claims may result in: • decreased demand for any of our future approved products; • injury to our reputation; • withdrawal of clinical trial participants; • termination of clinical trial sites or entire trial programs; • significant litigation costs; • substantial monetary awards to, or costly settlements with, patients or other claimants; • product recalls or a change in the indications for which any approved drug products may be used; • loss of revenue; • diversion of management and scientific resources from our business operations; and •

the inability to commercialize our product candidates. Although the clinical trial process is designed to identify and assess potential side effects, clinical development does not always fully characterize the safety and efficacy profile of a new medicine, and it is always possible that a drug, even after regulatory approval, may exhibit unforeseen side effects. If our product candidates were to cause adverse side effects during clinical trials or after approval, we may be exposed to substantial liabilities. Physicians and patients may not comply with any warnings that identify known potential adverse effects and patients who should not use our product candidates. If any of our product candidates are approved for commercial sale, we will be highly dependent upon consumer perceptions of us and the safety and quality of our products. We could be adversely affected if we are subject to negative publicity associated with illness or other adverse effects resulting from physicians' or patients' use or misuse of our products or any similar products distributed by other companies. Although we maintain product liability insurance coverage including clinical trial liability, this insurance may not fully cover potential liabilities that we may incur. The cost of any product liability litigation or other proceeding, even if resolved in our favor, could be substantial. We will need to increase our insurance coverage if we commercialize any product that receives regulatory approval. In addition, insurance coverage is becoming increasingly expensive. If we are unable to maintain sufficient insurance coverage at an acceptable cost or to otherwise protect against potential product liability claims, it could prevent or inhibit the development and commercial production and sale of our product candidates, which could harm our business. Risks Related to Legal and Regulatory Compliance Enacted and future legislation may increase the difficulty and cost for us to obtain marketing approval and commercialize our product candidates and may affect the prices we may charge for such product candidates. The United States and many foreign jurisdictions have enacted or proposed legislative and regulatory changes affecting the healthcare system that could prevent or delay marketing approval of our product candidates, restrict or regulate post- approval activities and affect our ability to profitably sell any product for which we obtain marketing approval. In March 2010, the Patient Protection and Affordable Care Act, as amended by the Health Care and Education Reconciliation Act of 2010, or collectively, the Affordable Care Act (ACA), was enacted, which includes measures that have significantly changed the way health care is financed by both governmental and private insurers. There have been executive, judicial and congressional challenges to certain aspects of the ACA. For example, on June 17, 2021, the U. S. Supreme Court dismissed a judicial challenge to the ACA brought by several states without specifically ruling on the constitutionality of the ACA. Further, on August 16, 2022, President Biden signed the Inflation Reduction Act of 2022 (IRA) into law, which among other things, extends enhanced subsidies for individuals purchasing health insurance coverage in ACA marketplaces through plan year 2025. The IRA also eliminates the " donut hole " under the Medicare Part D program beginning in 2025 by significantly lowering the beneficiary maximum out- of- pocket cost and through a newly established manufacturer discount program. It is unclear how any additional challenges or future healthcare reform measures of the Biden administration will impact the ACA. In addition, other legislative changes have been proposed and adopted since the ACA was enacted. For example, in August 2011, the Budget Control Act of 2011 was signed into law, which, among other things, included aggregate reductions to Medicare payments to providers of, on average, 2 % per fiscal year, effective April 1, 2013, which, due to subsequent legislative amendments including the Infrastructure Investment and Jobs Act **and the Consolidated Appropriations Act of 2023** , will stay in effect until ~~2031~~ **2032** unless Congress takes additional action ~~. Under current legislation the actual reduction in Medicare payments will vary from 1 % in 2022 to up to 4 % in the final fiscal year of this sequester~~ . Recently, there has been increasing legislative and enforcement interest in the United States with respect to specialty drug pricing practices. Specifically, there have been several recent U. S. presidential executive orders, congressional inquiries and legislation designed to, among other things, bring more transparency to drug pricing, reduce the cost of prescription drugs under Medicare, review the relationship between pricing and manufacturer patient programs and reform government program reimbursement methodologies for drugs. At the federal level, the Biden administration used several means to propose or implement drug pricing reform, including through executive orders and policy initiatives. For example, in July 2021, the Biden administration released an executive order, " Promoting Competition in the American Economy, " with multiple provisions aimed at prescription drugs. In response to Biden' s executive order, on September 9, 2021, U. S. Department of Health and Human Services (HHS) released a Comprehensive Plan for Addressing High Drug Prices that outlines principles for drug pricing reform and sets out a variety of potential legislative policies that Congress could pursue to advance these principles. In addition, the IRA, among other things, (1) directs HHS to negotiate the price of certain single- source drugs and biologics covered under Medicare Part B and Part D that have been approved by the FDA for at least 7 years for drugs, and 11 years for biologics; and (2) imposes rebates under Medicare Part B and Medicare Part D to penalize price increases that outpace inflation. Drugs and biologics are selected for negotiation two years prior to the negotiated price taking effect. Therefore, **if selected for price negotiations,** small- molecule drug manufacturers and biologic manufacturers are afforded at least 9 years and 13 years, respectively, before they must sell their product at the negotiated price under Medicare Part B and Part D, as applicable. **The IRA permits HHS to implement many of these provisions through guidance, as opposed to regulation, for the initial years. HHS has and will continue to issue and update guidance as these programs as implemented.** These provisions ~~will~~ take effect progressively starting in fiscal year 2023 **. On August 29, 2023, HHS announced the list of the first ten drugs that will be subject to price negotiations** , although ~~they~~ - **the** ~~may be~~ **Medicare drug price negotiation program is currently** subject to legal challenges. ~~It is currently unclear how the IRA will be implemented but is likely to have a significant impact on the pharmaceutical industry.~~ Further, **in response to** the Biden administration ~~released an additional~~ **' s October 2022** executive order **,** on ~~October~~ **February** 14, ~~2022~~ **2023** , ~~directing~~ HHS **released** ~~to submit~~ a report **outlining** ~~within ninety (90) days on how the~~ **three** ~~Center for Medicare and Medicaid Innovation can be further leveraged to test~~ new models for ~~lowering drug costs~~ **testing by the Centers** for Medicare ~~and~~ **&** Medicaid ~~beneficiaries~~ **Services (CMS) Innovation Center which will be evaluated on their ability to lower the cost of drugs, promote accessibility, and improve quality of care** . It is unclear whether **the models** ~~this executive order or similar policy initiatives~~ will be ~~implemented~~ **utilized in any health reform measures** in the future **. On December 7, 2023, the Biden administration announced an initiative to control the price of**

prescription drugs through the use of march- in rights under the Bayh- Dole Act. On December 8, 2023, the National Institute of Standards and Technology published for comment a Draft Interagency Guidance Framework for Considering the Exercise of March- In Rights which for the first time includes the price of a product as one factor an agency can use when deciding to exercise march- in rights. While march- in rights have not previously been exercised, it is uncertain if that will continue under the new framework . At the state level, legislatures have increasingly passed legislation and implemented regulations designed to control costs for pharmaceutical and biological products. We expect that the healthcare reform measures that have been adopted and may be adopted in the future may result in more rigorous coverage criteria and in additional downward pressure on the price that we receive for any approved product and could seriously harm our future revenues. Any reduction in reimbursement from Medicare or other government programs may result in a similar reduction in payments from private payors. The implementation of cost containment measures or other healthcare reforms may prevent us from being able to generate revenue, attain profitability or commercialize our products. Our business operations and current and future relationships with investigators, health care professionals, consultants, third- party payors and customers will be subject, directly or indirectly, to federal and state healthcare fraud and abuse laws, false claims laws and other healthcare laws and regulations. If we are unable to comply, or have not fully complied, with such laws, we could face substantial penalties. Healthcare providers and others play a primary role in the recommendation and prescription of any products for which we obtain marketing approval. Although we do not currently have any products on the market, our operations may be, directly or indirectly through our prescribers, customers and third- party payors, subject to various U. S. federal and state healthcare laws and regulations. These laws may impact, among other things, our current business operations, including our clinical research activities and proposed sales, marketing and education programs and constrain the business of financial arrangements and relationships with healthcare providers and other parties through which we may market, sell and distribute our products for which we obtain marketing approval. In addition, we may be subject to additional healthcare, statutory and regulatory requirements and enforcement by foreign regulatory authorities in jurisdictions in which we conduct our business. The laws that may affect our ability to operate include: • the U. S. federal Anti- Kickback Statute, which makes it illegal for any person or entity, including a prescription drug manufacturer (or a party acting on its behalf), to knowingly and willfully solicit, receive, offer or pay any remuneration (including any kickback, bribe, or rebate), directly or indirectly, overtly or covertly, in cash or in kind, to induce or reward, or in return for, either the referral of an individual, or the purchase, lease, order, arrangement, or recommendation of any good, facility, item or service for which payment may be made, in whole or in part, under a federal healthcare program, such as the Medicare and Medicaid programs. A person or entity does not need to have actual knowledge of the statute or specific intent to violate it in order to have committed a violation; • the U. S. federal civil and criminal false claims laws, including the False Claims Act (FCA), which can be enforced through " qui tam " or " whistleblower " actions, and civil monetary penalty law, which impose criminal and civil penalties against individuals or entities for, among other things, knowingly presenting, or causing to be presented, claims for payment or approval from Medicare, Medicaid, or other federal health care programs that are false, fictitious or fraudulent; knowingly making, using, or causing to be made or used, a false record or statement material to a false, fictitious or fraudulent claim or an obligation to pay or transmit money or property to the federal government; or knowingly concealing or knowingly and improperly avoiding or decreasing or concealing such an obligation to pay money to the federal government. In addition, a claim that includes items or services resulting from a violation of the federal Anti- Kickback Statute constitutes a false or fraudulent claim under the FCA; • the U. S. federal Health Insurance Portability and Accountability Act of 1996 (HIPAA), which created additional federal criminal statutes that prohibit knowingly and willfully executing, or attempting to execute, a scheme to defraud any healthcare benefit program, including private third- party payors, or obtain, by means of false or fraudulent pretenses, representations, or promises, any of the money or property owned by, or under the custody or control of, any healthcare benefit program, regardless of the payor (e. g., public or private) and knowingly and willfully falsifying, concealing or covering up by any trick or device a material fact or making any materially false, fictitious or fraudulent statement or representation, or making or using any false writing or document knowing the same to contain any materially false fictitious or fraudulent statement or entry in connection with the delivery of, or payment for, healthcare benefits, items or services relating to healthcare matters. Similar to the federal Anti- Kickback Statute, a person or entity can be found guilty of violating HIPAA fraud provisions without actual knowledge of the statute or specific intent to violate it; • HIPAA, as amended by the Health Information Technology for Economic and Clinical Health Act and their implementing regulations, also imposes obligations, including mandatory contractual terms, on " covered entities, " including certain healthcare providers, health plans, healthcare clearinghouses, and their respective " business associates " that create, receive, maintain or transmit individually identifiable health information for or on behalf of a covered entity as well as their covered subcontractors, with respect to safeguarding the privacy, security and transmission of individually identifiable health information, as well as analogous state and foreign laws that govern the privacy and security of health information in some circumstances, many of which differ from each other in significant ways and often are not preempted by HIPAA, thus complicating compliance efforts. • the U. S. federal Physician Payments Sunshine Act and its implementing regulations, which require certain manufacturers of drugs, devices, biologics and medical supplies for which payment is available under Medicare, Medicaid or the Children' s Health Insurance Program to report annually to the ~~Centers for Medicare & Medicaid Services (~~ CMS ~~),~~ , an agency within the HHS under the Open Payments Program, information related to direct or indirect payments and other transfers of value made to physicians (defined to include doctors, dentists, optometrists, podiatrists and chiropractors), other health care professionals (such as physician assistants and nurse practitioners), and teaching hospitals, as well as information regarding ownership and investment interests held by physicians and their immediate family members; • U. S. federal and state consumer protection and unfair competition laws, which broadly regulate marketplace activities and activities that potentially harm consumers; • analogous U. S. state laws and regulations, including state anti- kickback and false claims laws that may apply to items or services reimbursed by any third- party payor, including commercial insurers; state laws that

require pharmaceutical companies to comply with the pharmaceutical industry' s voluntary compliance guidelines and other relevant compliance guidance promulgated by the federal government that otherwise restrict payments that may be made to healthcare providers and other potential referral sources; state laws that require drug manufacturers to file reports with states regarding pricing and marketing information, such as the tracking and reporting of gifts, compensations and other remuneration and items of value provided to healthcare professionals and entities; and state and local laws requiring the registration of pharmaceutical sales representatives; and • European and other foreign law equivalents of each of the laws, including reporting requirements detailing interactions with and payments to healthcare providers. Ensuring that our internal operations and future business arrangements with third parties comply with applicable healthcare laws and regulations will involve substantial costs. It is possible that governmental authorities will conclude that our business practices do not comply with current or future statutes, regulations, agency guidance or case law involving applicable fraud and abuse or other healthcare laws and regulations. If our operations are found to be in violation of any of the laws described above or any other governmental laws and regulations that may apply to us, we may be subject to significant penalties, including civil, criminal and administrative penalties, damages, fines, exclusion from U. S. government funded healthcare programs, such as Medicare and Medicaid, or similar programs in other countries or jurisdictions, disgorgement, imprisonment, contractual damages, reputational harm, diminished profits, additional reporting requirements and oversight if we become subject to a corporate integrity agreement or similar agreement to resolve allegations of non- compliance with these laws and the delay, reduction, termination or restructuring of our operations. Further, defending against any such actions can be costly and time- consuming, and may require significant financial and personnel resources. Therefore, even if we are successful in defending against any such actions that may be brought against us, our business may be impaired. If any of the physicians or other providers or entities with whom we expect to do business is found to not be in compliance with applicable laws, they may be subject to criminal, civil or administrative sanctions, including exclusions from government funded healthcare programs and imprisonment. If any of the above occur, it could adversely affect our ability to operate our business and our results of operations. We are subject to stringent and ~~changing~~ **evolving U. S. and foreign laws, regulations, rules, contractual obligations, policies and other** obligations related to data privacy and security. Our actual or perceived failure to comply with such obligations could lead to regulatory investigations or actions; litigation **(including class claims) and mass arbitration demands** ; fines and penalties; disruptions of our business operations; reputational harm; loss of revenue or profits; loss of customers or sales; and other adverse business consequences. We process personal data and other sensitive data (including health data we collect about study or trial participants in connection with our preclinical studies or clinical trials); proprietary and confidential business data; trade secrets; intellectual property; and sensitive third- party data. Our data processing activities subject us to numerous data privacy and security obligations, such as various laws, regulations, guidance, industry standards, external and internal privacy and security policies, contracts, and other obligations that govern the processing of personal data by us and on our behalf. In the United States, federal, state, and local governments have enacted numerous data privacy and security laws, including data breach notification laws, personal data privacy laws, and consumer protection laws. These privacy laws include, without limitation, the following laws and regulations: Section 5 of the Federal Trade Commission Act, HIPAA, as amended by the Health Information Technology for Economic and Clinical Health Act (HITECH) (which imposes specific requirements relating to the privacy, security and transmission of individually identifiable health information) and the California Consumer Privacy Act of 2018 (CCPA) ~~(which imposes~~ **. The CCPA applies to personal information of consumers, business representatives, and employees, and requires businesses to provide** specific ~~requirements on covered businesses relating~~ **disclosures in privacy notices and honor requests of California residents** to **exercise certain privacy rights. The CCPA provides for civil penalties of up to $ 7, 500 per violation and allows private litigants affected by certain data breaches to recover significant statutory damages. Although the CCPA exempts some data processed in the context of clinical trials, the CCPA increases compliance costs and potential liability with respect to other** personal data **we maintain about California residents. In addition, the CPRA amended the CCPA and expanded the CCPA' s requirements, including by adding a new right for individuals to correct their personal information and establishing a new regulatory agency to implement and enforce the law. Other states, such as Virginia and Colorado, have also passed comprehensive privacy laws, and similar laws are being considered in several other states, as well as at the federal and local levels. While these states, like the CCPA, also exempt some data processed in the context of clinical trials, these developments further complicate compliance efforts, and increase legal risk and compliance costs for us and the third** ~~practices~~ --- **parties** ~~)~~ **upon whom we rely** . If we are or were to become subject to these laws and / or new or amended data privacy laws, the risk of enforcement actions against us could increase because we may be subject to obligations under applicable regulatory frameworks and the number of individuals or entities that could initiate actions against us may increase (including individuals via a private right of action), in addition to further complicating our compliance efforts. Outside the United States, an increasing number of laws, regulations, and industry standards apply to data privacy and security. For example, the **European Union' s General Data Protection Regulation (** EU GDPR **)** and the **equivalent law in the U. K. (** UK GDPR **) (together, the GDPR),** impose strict requirements for processing the personal data of individuals, including sensitive data that we may process such as health data. For example, under the ~~EU~~ GDPR, **companies** ~~government regulators~~ may ~~impose~~ **face** temporary or definitive bans on data processing **and other corrective actions** , as well as fines of up to 20 million euros **under the EU GDPR, 17. 5 million pounds sterling under the UK GDPR,** or **, in each case,** 4 % of annual global revenue, whichever is greater. ~~Similar processing penalties and fines exist under the UK GDPR.~~ Further, individuals may initiate litigation related to our processing of their personal data **. Additionally, under various privacy laws and other obligations, we may be required to obtain certain consents to process personal data. Our inability or failure to do so could result in adverse consequences** . In the ordinary course of business, we may transfer personal data from Europe and other jurisdictions to the United States or other countries. ~~Europe~~ **The EEA** , the U. K. and certain jurisdictions have enacted data localization laws and cross- border personal data transfer laws. In particular, the EEA and the U. K. have

significantly restricted the transfer of personal data to the United States and other countries whose privacy laws it believes are inadequate. Other jurisdictions may adopt similarly stringent interpretations of their data localization and cross- border data transfer laws. Although there are currently various mechanisms that may be used to transfer personal data from the EEA and U. K. to the United States in compliance with law, such as the EEA standard contractual clauses ~~and ,~~ the U. K. International Data Transfer Agreement **, and the EU- U. S. Data Privacy Framework (which allows for transfers for relevant United States- based organizations who self- certify compliance and participate in the Framework** , these mechanisms are subject to legal challenges, and there is no assurance that we can satisfy or rely on these measures to lawfully transfer personal data to the United States. If there is no lawful manner for us to transfer personal data from the EEA, the U. K. or other jurisdictions to the United States, or if the requirements for a legally- compliant transfer are too onerous, we could face significant adverse consequences, including the interruption or degradation of our operations, the need to relocate part of or all of our business or data processing activities to other jurisdictions at significant expense, increased exposure to regulatory actions, substantial fines and penalties, the inability to transfer data and work with partners, vendors and other third parties, and injunctions against our processing or transferring of personal data necessary to operate our business. Additionally, companies that transfer personal data out of the EEA and U. K. to other jurisdictions, particularly to the United States, are subject to increased scrutiny from regulators, individual litigants, and activist groups. Some European regulators have ordered certain companies to suspend or permanently cease certain transfers out of Europe for allegedly violating the EU GDPR' s cross- border data transfer limitations. **We are also bound by contractual obligations related to data privacy and security, and our efforts to comply with such obligations may not be successful. For example, certain privacy laws, such as the GDPR and the CCPA, require our customers to impose specific contractual restrictions on their service providers. We publish privacy policies, marketing materials and other statements, such as compliance with certain certifications or self- regulatory principles, regarding data privacy and security. If these policies, materials or statements are found to be deficient, lacking in transparency, deceptive, unfair, or misrepresentative of our practices, we may be subject to investigation, enforcement actions by regulators or other adverse consequences.** Our obligations related to data privacy and security are quickly changing in an increasingly stringent fashion, creating some uncertainty as to the effective future legal framework. Additionally, these obligations may be subject to differing applications and interpretations, which may be inconsistent or in conflict among jurisdictions. Preparation for and compliance with these obligations requires us to devote significant resources ~~(including, without limitation, financial and time- related resources)~~ . These obligations may necessitate changes to our information technologies, systems, and practices and to those of any third parties that process personal data on our behalf. Although we ~~endeavor~~ **try** to comply with all applicable data privacy and security obligations, we may at times fail (or be perceived ~~to have~~ **as having** failed) ~~to do so~~ . Despite our efforts, our personnel or third parties upon whom we rely **on** may fail to comply with such obligations, which could negatively impact our business operations and compliance posture ~~. For example, any failure by a third- party processor to comply with applicable law, regulations, or contractual obligations could result in adverse effects, including inability to operate our business and proceedings against us by governmental entities or others~~ . Moreover, clinical trial subjects about whom we or our potential collaborators obtain information, as well as the third- party providers (such as research institutions) who share this information with us, may contractually limit our ability to use and disclose the information. If we or the third parties on which we rely fail, or are perceived to have failed, to address or comply with data privacy and security obligations, we could face significant consequences. These consequences may include, but are not limited to, government enforcement actions (e. g., investigations, fines, penalties, audits, inspections, and similar); litigation (including class- related claims) **and mass arbitration demands** ; additional reporting requirements and / or oversight; bans on processing personal data; and orders to destroy or not use personal data. Any of these events could have a material adverse effect on our reputation, business, or financial condition, including but not limited to: loss of customers; interruptions or stoppages in our business operations (including our clinical trials); inability to process personal data or to operate in certain jurisdictions; limited ability to develop or commercialize our product candidates; expenditure of time and resources to defend any claim or inquiry; adverse publicity; or revision or restructuring of our operations. ~~Although we work to comply with applicable laws, regulations and standards, our contractual obligations and other legal obligations, these requirements are evolving and may be modified, interpreted and applied in an inconsistent manner from one jurisdiction to another, and may conflict with one another or other legal obligations with which we must comply. Compliance with U. S. and foreign data protection laws and regulations could require us to take on more onerous obligations in our contracts, restrict our ability to collect, use and disclose data, or in some cases, impact our ability to operate in certain jurisdictions. Failure by us or our collaborators and third- party providers to comply with U. S. and foreign data protection laws and regulations could result in government enforcement actions (which could include civil or criminal penalties), private litigation and / or adverse publicity and could negatively affect our operating results and business. Moreover, clinical trial subjects about whom we or our potential collaborators obtain information, as well as the providers who share this information with us, may contractually limit our ability to use and disclose the information. Claims that we have violated individuals' privacy rights, failed to comply with data protection laws or breached our contractual obligations, even if we are not found liable, could be expensive and time consuming to defend, could result in adverse publicity and could harm our business. Risks Related to Commercialization of our Product Candidates We have never commercialized a product candidate and we may lack the necessary expertise, personnel and resources to successfully commercialize any of our products that receive regulatory approval on our own or together with collaborators. We have never commercialized a product candidate. Our operations to date have been limited to organizing and staffing our company, business planning, raising capital, and undertaking preclinical studies and clinical trials of our product candidates. We currently have no sales force, marketing, manufacturing or distribution capabilities. To achieve commercial success of our product candidates, if any are approved, we will have to develop our own sales, marketing, reimbursement and manufacturing capabilities or outsource these activities to a third party. Factors that may affect our ability to commercialize our product candidates on our own include recruiting and~~

retaining adequate numbers of effective sales and marketing personnel, educating adequate numbers of physicians on the benefits of prescribing our product candidates and other unforeseen costs associated with creating an independent sales and marketing organization. Developing a sales and marketing organization requires significant investment, is time- consuming and could delay the launch of our product candidates. We may not be able to build an effective sales and marketing organization in the United States, the EU or other key global markets. If we are unable to build our own distribution and marketing capabilities or to find suitable partners for the commercialization of our product candidates, we may have difficulties generating revenue from them. We face significant competition from other pharmaceutical and biotechnology companies and other research organizations, and our operating results will suffer if we fail to compete effectively. The biotechnology industry is characterized by rapid technological advancement, significant competition and an emphasis on intellectual property. We face potential competition from many different sources, including major and specialty pharmaceutical, biopharmaceutical, and biotechnology companies, and public and private research institutions. Any product candidates that we successfully develop and commercialize will compete with current therapies and new therapies that may become available in the future. Our commercial opportunity could be reduced or eliminated if our competitors develop and commercialize products that are safer, more effective or more convenient or have fewer or less severe side effects than any products that we may develop. Our competitors also may obtain FDA, EMA or other regulatory approval for their products more rapidly than we do. We expect to face competition from existing products and products in development for each of our product candidates. In addition, there may be other earlier stage clinical programs that, if approved, would compete with our product candidates. Many of our competitors have substantially greater financial, technical, manufacturing, marketing, sales and supply resources or experience than we do. Additional mergers and acquisitions in the pharmaceutical and biotechnology industries may result in even more resources being concentrated in our competitors. Competition may increase further as a result of advances made in the commercial applicability of technologies and greater availability of capital for investment in these fields. The successful commercialization of certain of our product candidates will depend in part on the extent to which governmental authorities and health insurers establish adequate coverage, reimbursement levels and pricing policies. Failure to obtain or maintain adequate coverage and reimbursement for our product candidates, if approved, could limit our ability to market those products and decrease our ability to generate revenue. The availability and adequacy of coverage and reimbursement by governmental healthcare programs such as Medicare and Medicaid, private health insurers and other third- party payors are essential for most patients to be able to afford products such as our product candidates, if approved. Our ability to achieve acceptable levels of coverage and reimbursement for products by governmental authorities, private health insurers and other organizations will have an effect on our ability to successfully commercialize our product candidates and attract additional collaboration partners to invest in the development of our product candidates. Coverage under certain government programs, such as Medicare, Medicaid, the 340B drug pricing program and TRICARE, may not be available for certain of our product candidates. Assuming we obtain coverage for a given product by a third- party payor, the resulting reimbursement payment rates may not be adequate or may require co- payments that patients find unacceptably high. We cannot be sure that coverage and reimbursement in the United States, the European Union or elsewhere will be available for any product that we may develop, and any reimbursement that may become available may be decreased or eliminated in the future. Third- party payors increasingly are challenging prices charged for pharmaceutical products and services, and many third- party payors may refuse to provide coverage and reimbursement for particular drugs when an equivalent generic drug, biosimilar or a less expensive therapy is available. It is possible that a third- party payor may consider our product candidates and other therapies as substitutable and only offer to reimburse patients for the less expensive product. Even if we show improved efficacy or improved convenience of administration with our product candidates, pricing of existing drugs may limit the amount we will be able to charge for our product candidates. These payors may deny or revoke the reimbursement status of a given product or establish prices for new or existing marketed products at levels that are too low to enable us to realize an appropriate return on our investment in product development. If reimbursement is not available or is available only at limited levels, we may not be able to successfully commercialize our product candidates, and may not be able to obtain a satisfactory financial return on products that we may develop. There is significant uncertainty related to the insurance coverage and reimbursement of newly approved products. In the United States, third- party payors, including private and governmental payors, such as the Medicare and Medicaid programs, play an important role in determining the extent to which new drugs and biologics will be covered. The Medicare and Medicaid programs increasingly are used as models for how private payors and other governmental payors develop their coverage and reimbursement policies for drugs and biologics. Some third- party payors may require pre- approval of coverage for new or innovative devices or drug therapies before they will reimburse health care providers who use such therapies. It is difficult to predict at this time what third- party payors will decide with respect to the coverage and reimbursement for our product candidates. Obtaining and maintaining reimbursement status is time- consuming and costly. No uniform policy for coverage and reimbursement for products exists among third- party payors in the United States. Therefore, coverage and reimbursement for products can differ significantly from payor to payor. As a result, the coverage determination process is often a time- consuming and costly process that will require us to provide scientific and clinical support for the use of our products to each payor separately, with no assurance that coverage and adequate reimbursement will be applied consistently or obtained in the first instance. Furthermore, rules and regulations regarding reimbursement change frequently, in some cases at short notice, and we believe that changes in these rules and regulations are likely. Moreover, increasing efforts by governmental and third- party payors in the United States and abroad to cap or reduce healthcare costs may cause such organizations to limit both coverage and the level of reimbursement for newly approved products and, as a result, they may not cover or provide adequate payment for our product candidates. We expect to experience pricing pressures in connection with the sale of any of our product candidates due to the trend toward managed healthcare, the increasing influence of health maintenance organizations, and additional legislative changes. The downward pressure on healthcare costs in general, particularly prescription drugs, has become very intense. As a result, increasingly high barriers are

~~being erected to the entry of new products. The continuing efforts of the government, insurance companies, managed care organizations and other payors of health care services to contain or reduce costs of health care may adversely affect: • the demand for any products for which we may obtain regulatory approval; • our ability to set a price that we believe is fair for our products; • our ability to obtain coverage and reimbursement approval for a product; • our ability to generate revenues and achieve or maintain profitability; and • the level of taxes that we are required to pay. If we are unable to establish or sustain coverage and adequate reimbursement for any product candidates from third- party payors, the adoption of those products and sales revenue will be adversely affected, which, in turn, could adversely affect the ability to market or sell those product candidates, if approved. Further, coverage policies and third- party payor reimbursement rates may change at any time. Therefore, even if favorable coverage and reimbursement status is attained for one or more products for which we receive regulatory approval, less favorable coverage policies and reimbursement rates may be implemented in the future. Even if we receive marketing approval for any of our product candidates, we may not achieve market acceptance, which would limit the revenue that we can generate from sales of any of our approved product candidates. Even if the FDA or any comparable foreign regulatory authority approves the marketing of any product candidates that we develop, physicians, patients, third- party payors or the medical community may not accept or use them. Efforts to educate the medical community and third- party payors on the benefits of our product candidates may require significant resources and may not be successful. Market acceptance of ETX- 123 and our other product candidates, if any are approved, will depend on a number of factors, including, among others: • the ability of ETX- 123 and our other product candidates to treat neuronal excitability disorders, as compared with other available drugs, treatments or therapies; • the prevalence and severity of any adverse side effects associated with ETX- 123 and our other future product candidates; • limitations or warnings contained in the labeling approved for ETX- 123 or our other future product candidates by the FDA or any comparable foreign regulatory authority; • availability of alternative treatments; • the size of the target patient population, and the willingness of the target patient population to try new therapies and of physicians to prescribe these therapies; • the strength of marketing and distribution support and timing of market introduction of competitive products; • publicity for our product candidates and competing products and treatments; • pricing and cost effectiveness; • the effectiveness of our sales and marketing strategies; • our ability to increase awareness of our product candidates through marketing efforts; • our ability to obtain sufficient third- party coverage and adequate reimbursement; and • the likelihood that the FDA or any comparable foreign regulatory authority may impose additional requirements that limit the promotion, advertising, distribution or sales of our product candidates. If any one of our product candidates is approved but does not achieve an adequate level of acceptance by patients, physicians and third- party payors, we may not generate sufficient revenue to become or remain profitable and our business may be harmed. If any of our product candidates are approved for marketing and commercialization and we are unable to establish sales, marketing and market access capabilities or enter into agreements with third parties to sell and market our product candidates, we will be unable to successfully commercialize our product candidates if and when they are approved. We currently have no sales, marketing, reimbursement or distribution capabilities. To achieve commercial success for any approved product for which we retain sales, marketing and market access and reimbursement responsibilities, we must either develop these capabilities, which would be expensive and time consuming, or outsource these functions to other third parties, some or all of which may be occur in advance of any approval of the product candidate. In the future, we may choose to build a focused sales and marketing infrastructure to sell, or participate in sales activities with any future collaborators for, some of our product candidates if and when they are approved. There are risks involved with both establishing our own sales and marketing capabilities and entering into arrangements with third parties to perform these services. For example, recruiting and training a sales force is expensive and time consuming and could delay any product launch. If the commercial launch of a product candidate for which we recruit a sales force and establish marketing capabilities is delayed or does not occur for any reason, we would have prematurely or unnecessarily incurred these commercialization expenses. This may be costly, and our investment would be lost if we cannot retain or reposition our sales and marketing personnel. Factors that may inhibit our efforts to commercialize our product candidates on our own include: • our inability to recruit and retain adequate numbers of effective sales and marketing personnel; • the inability of sales personnel to obtain access to physicians or educate adequate numbers of physicians on the benefits of prescribing any future product candidates; • the lack of complementary products to be offered by sales personnel, which may put us at a competitive disadvantage relative to companies with more extensive product lines; and • unforeseen costs and expenses associated with creating an independent sales and marketing organization. If we enter into arrangements with third parties to perform sales, marketing and distribution services, our product revenues or the profitability of these product revenues to us are likely to be lower than if we were to market and sell any products that we develop ourselves. In addition, we may not be successful in entering into arrangements with third parties to sell and market our product candidates or may be unable to do so on terms that are favorable to us. In entering into third- party marketing or distribution arrangements, any revenue we receive will depend upon the efforts of the third parties and we cannot assure you that such third parties will establish adequate sales and distribution capabilities or devote the necessary resources and attention to sell and market our product candidates effectively. If we do not establish sales and marketing capabilities successfully, either on our own or in collaboration with third parties, we will not be successful in commercializing our product candidates.~~ Risks Related to our Dependence on Third Parties We rely, and expect to continue to rely, on third parties to conduct, supervise, and monitor our preclinical studies and clinical trials. If these third parties do not properly and successfully carry out their contractual duties or meet expected deadlines, we may not be able to obtain regulatory approval of or commercialize our product candidates. We rely on third **parties in winding down our development of our former clinical product candidates, and we expect to rely on third** - party CROs to conduct, supervise, and monitor our **future** preclinical **and** studies **and clinical trials** for our product candidates and do not currently plan to independently conduct preclinical studies or future clinical trials of any other potential product candidates. We expect to continue to rely on third parties, such as CROs, clinical data management organizations, medical institutions and clinical investigators to conduct our **future** preclinical studies and ~~future~~ clinical trials. While we have

agreements governing their activities, we have limited influence over their actual performance and control only certain aspects of their activities. The failure of these third parties to successfully carry out their contractual duties or meet expected deadlines could substantially harm our business because we may not obtain marketing approval for or commercialize our product candidates in a timely manner or at all. Moreover, these agreements might terminate for **various** ~~a variety of~~ reasons, including a failure to perform by the third parties ~~. If~~ **; if** we need to enter into alternative arrangements, that ~~would~~ **will** delay our product development activities and harm our business. Our reliance on these third parties for development activities will reduce our control over these activities. Nevertheless, we are responsible for ensuring that each of our studies and clinical trials is conducted in accordance with the applicable protocol, legal, regulatory and scientific standards and our reliance on the CROs does not relieve us of our regulatory responsibilities. For example, we will remain responsible for ensuring that each of our clinical trials is conducted in accordance with the general investigational plan and protocols for the trial and for ensuring that our preclinical studies are conducted in accordance with good laboratory practice (GLP) as appropriate. Moreover, the FDA and comparable foreign regulatory authorities require us to comply with standards, commonly referred to as good clinical practices (GCPs), for conducting, monitoring, recording, and reporting the results of clinical trials to assure that data and reported results are credible and accurate and that the rights, integrity, and confidentiality of trial participants are protected. As a clinical trial sponsor, we will also have regulatory requirements that directly apply to us. Regulatory authorities enforce these requirements through periodic inspections of trial sponsors, clinical investigators, and trial sites. If we or any of our CROs fail to comply with applicable GCPs, we or our CROs may be subject to enforcement or other legal actions, the clinical data generated in our clinical trials may be deemed unreliable and the FDA or comparable foreign regulatory authorities may require us to perform additional clinical trials. In addition, once we have an approved product, we will be required to report certain financial interests of our third- party investigators if these relationships exceed certain financial thresholds or meet other criteria. The FDA and comparable foreign regulatory authorities may question the integrity of the data from those clinical trials conducted by investigators who previously served or currently serve as scientific advisors or consultants to us from time to time and receive cash compensation in connection with such services or otherwise receive compensation from us that could be deemed to impact study outcome, proprietary interests in a product candidate, certain company equity interests or significant payments of other sorts. We cannot assure you that upon inspection by a given regulatory authority, such regulatory authority will determine that any of our clinical trials complies with GCP regulations. In addition, our clinical trials must be conducted with product candidates that were produced under cGMP regulations. Our failure to comply with these regulations may require us to repeat clinical trials, which would delay the regulatory approval process. We also are required to register certain clinical trials and post the results of certain completed clinical trials on a government- sponsored database, ClinicalTrials. gov, within specified time frames. Failure to do so can result in enforcement actions and adverse publicity. Our CROs may also have relationships with other entities, some of which may be our competitors, for whom they may also be conducting clinical trials or other drug development activities that could harm our competitive position. In addition, our CROs are not our employees, and except for remedies available to us under our agreements with such CROs, we cannot control whether or not they devote sufficient time and resources to our ongoing clinical, non- clinical, and preclinical programs. If these third parties do not successfully carry out their contractual duties, meet expected deadlines or conduct our preclinical studies or clinical trials in accordance with regulatory requirements or our stated protocols, if they need to be replaced or if the quality or accuracy of the clinical data they obtain is compromised due to the failure to adhere to our clinical protocols or regulatory requirements or for other reasons, our clinical trials may be extended, delayed or terminated and we may not be able to obtain, or may be delayed in obtaining, marketing approvals for our product candidates and will not be able to, or may be delayed in our efforts to, successfully commercialize our product candidates, or we or they may be subject to regulatory enforcement actions. As a result, our results of operations and the commercial prospects for our product candidates would be harmed, our costs could increase and our ability to generate revenues could be delayed. To the extent we are unable to successfully identify and manage the performance of third- party service providers in the future, our business may be harmed. If any of our relationships with these third- party CROs terminates, we may not be able to enter into arrangements with alternative CROs or to do so on commercially reasonable terms. Switching or adding additional CROs involves additional cost and requires management time and focus. In addition, there is a natural transition period when a new CRO commences work. As a result, delays could occur, which could compromise our ability to meet our desired development timelines. Though we carefully manage our relationships with our CROs, there can be no assurance that we will not encounter similar challenges or delays in the future or that these delays or challenges will not harm our business. If ~~the manufacturers upon whom we rely fail to produce our product candidates in the volumes that we require on a timely basis in accordance with the specifications for our product candidates, or to comply with stringent regulations applicable to pharmaceutical drug manufacturers, we may face delays in the development and commercialization of, or be unable to meet demand for, our products and may lose potential revenues. We do not manufacture any of our product candidates, and we do not currently plan to develop any capacity to do so. We currently outsource all manufacturing of our product candidates to third- party CDMOs, typically without any guarantee that there will be sufficient supplies to fulfill our requirements or that we may obtain such supplies on acceptable terms. Any delays in obtaining adequate supplies with respect to our product candidates may delay the development or commercialization of our product candidates. We may not succeed in our efforts to establish manufacturing relationships or other alternative arrangements for any of our existing or future product candidates and programs. Our product candidates may compete with other products and product candidates for access to manufacturing facilities. There are a limited number of CDMOs that operate under cGMP regulations and that are both capable of manufacturing for us and willing to do so. If our existing third- party manufacturers, or the third parties that we engage in the future to manufacture a product for commercial sale or for our clinical trials, should cease to continue to do so for any reason, we likely would experience delays in obtaining sufficient quantities of our product candidates for us to meet commercial demand or to advance our clinical trials while we identify and qualify replacement suppliers. If for any reason we are unable to obtain adequate~~

~~supplies of our product candidates or the raw materials used to manufacture them, it will be more difficult for us to develop our product candidates and compete effectively. Further, even if we do establish such collaborations or arrangements, our third-party manufacturers may breach, terminate or not renew these agreements. We have a limited number of contract manufacturers for our product candidates. At times we may have only one manufacturer for a product. In addition, we do not have any long-term commitments from our suppliers of clinical trial material or guaranteed prices for our product candidates. The manufacture of pharmaceutical products requires significant expertise and capital investment, including the development of advanced manufacturing techniques and process controls. Manufacturers of pharmaceutical products often encounter difficulties in production, particularly in scaling up initial production. These problems include difficulties with production costs and yields; quality control, including stability of the product candidate and quality assurance testing; shortages of qualified personnel; and compliance with strictly enforced federal, state, and foreign regulations. Our manufacturers may not perform as agreed, such as failing to manufacture our product candidates in accordance with the specifications for such product candidates. If our manufacturers were to encounter any of these difficulties, our ability to provide product candidates to patients in our clinical trials and for commercial use, if approved, would be jeopardized. In addition, all manufacturers of our product candidates must comply with cGMP requirements enforced by the FDA and comparable foreign regulatory authorities that are applicable to both finished drug products and active pharmaceutical ingredients used both for clinical and commercial supply, through its facilities inspection program. The FDA must verify our contract manufacturers' compliance with cGMP requirements and comparable foreign regulatory authorities will similarly inspect our contract manufacturers' facilities after we submit our marketing applications to the agency and comparable foreign regulatory authorities. The cGMP requirements include quality control, quality assurance, and the maintenance of records and documentation. Manufacturers of our product candidates may be unable to comply with our specifications, these cGMP requirements and with other FDA, state, and foreign regulatory requirements. If our contract manufacturers cannot successfully manufacture material that conforms to our specifications and the strict regulatory requirements of the FDA or other regulatory authorities, they will not be able to secure or maintain regulatory approval for their manufacturing facilities. While we are ultimately responsible for the manufacture of our product candidates, other than through our contractual arrangements, we have little control over our manufacturers' compliance with these regulations and standards. If the FDA or a comparable foreign regulatory authority does not approve these facilities for the manufacture of our product candidates or if it withdraws any such approval in the future, we may need to find alternative manufacturing facilities, which would significantly impact our ability to develop, obtain regulatory approval for, or market our product candidates, if approved. A failure to comply with these requirements may result in regulatory enforcement actions against our manufacturers or us, including fines and civil and criminal penalties, including imprisonment; suspension or restrictions of production; suspension, delay, or denial of product approval or supplements to approved products; clinical holds or termination of clinical studies; warning or untitled letters; regulatory authority communications warning the public about safety issues with the drug; refusal to permit the import or export of the products; product seizure, detention, or recall; civil suits under the FCA; corporate integrity agreements; consent decrees; or withdrawal of product approval. If the safety of any quantities supplied is compromised due to our manufacturers' failure to adhere to applicable laws or for other reasons, we may not be able to obtain regulatory approval for or successfully commercialize our product candidates. Any failure or refusal to supply our product candidates or components for our current or future product candidates that we may develop could delay, prevent, or impair our clinical development or commercialization efforts. Any change in our manufacturers could be costly because the commercial terms of any new arrangement could be less favorable and because the expenses relating to the transfer of necessary technology and processes could be significant. If~~ we are not able to establish future collaborations, we may have to alter some of our future development and commercialization plans. Our product development programs and the potential commercialization of our product candidates will require substantial additional capital to fund expenses. While currently we have no plans to do so, we may decide to collaborate for the future development and potential commercialization of our product candidates. Furthermore, we may find that our programs require the use of proprietary rights held by third parties, and the growth of our business may depend in part on our ability to acquire, in- license or use these proprietary rights. We will likely have limited control over the amount and timing of resources that our collaborators dedicate to the development or commercialization of any product candidates we may seek to develop with them. We cannot predict the success of any collaboration that we have entered into or will enter into. We face significant competition in seeking appropriate collaborators, and **many** ~~a number of~~ more established companies may also be pursuing strategies to license or acquire third- party intellectual property rights that we may consider attractive. These established companies may have a competitive advantage over us due to their size, financial resources and greater clinical development and commercialization capabilities. In addition, companies that perceive us to be a competitor may be unwilling to assign or license rights to us. Whether we reach a definitive agreement for a collaboration will depend, among other things, upon our assessment of the collaborator' s resources and expertise, the terms and conditions of the proposed collaboration and the proposed collaborator' s evaluation of a number of factors. Those factors may include the design or results of clinical trials, the likelihood of approval by the FDA, European Medicines Agency (EMA), the U. K. Medicines and Healthcare products Regulatory Agency (MHRA) or similar foreign regulatory authorities, the potential market for the subject product candidate, the costs and complexities of manufacturing and delivering such product candidate to patients, competing products, the existence of uncertainty with respect to our ownership of technology, which can exist if there is a challenge to such ownership without regard to the merits of the challenge, and industry and market conditions generally. The collaborator may also consider alternative product candidates or technologies for similar indications that may be available to collaborate on and whether such a collaboration could be more attractive than the one with us for our product candidate. We may also be restricted under future license agreements from entering into agreements on certain terms with potential collaborators. Collaborations are complex and time consuming to negotiate and document. In addition, there have been a significant number of recent business combinations among large pharmaceutical companies that have resulted in a reduced number of potential future collaborators. We may not be

able to negotiate further collaborations on a timely basis, on acceptable terms, or at all. Even if we are able to obtain a license to intellectual property of interest, we may not be able to secure exclusive rights, in which case others could use the same rights and compete with us. Our existing collaboration partners may not prioritize our product candidates or otherwise not effectively pursue the development of our product candidates which may delay, reduce or terminate the development of such product candidate, reduce or delay its development program or delay its potential commercialization. Further if we are unable to successfully obtain rights to required third- party intellectual property rights or maintain the existing intellectual property rights we have, we may have to delay, reduce or terminate the development of such product candidate, reduce or delay its development program or one or more of our other development programs, delay its potential commercialization or reduce the scope of any sales or marketing activities, or increase our expenditures and undertake development or commercialization activities at our own expense. Doing so will likely harm our ability to execute our business plans. If we elect to increase our expenditures to fund development or commercialization activities on our own, we may need to obtain additional capital, which may not be available to us on acceptable terms or at all. If we do not have sufficient funds, we may not be able to further develop our product candidates or bring them to market and generate product revenue. Risks Related to Intellectual Property If we are unable to obtain, maintain and protect sufficient patent and other intellectual property rights for our product candidates and technology, or if the scope of patent and other intellectual property rights obtained is not sufficiently broad, we may not be able to compete effectively in our market. Our success depends in significant part on our ability and the ability of future licensors, licensees or collaborators to obtain, maintain, enforce and defend patents and other intellectual property rights with respect to our product candidates and technology and to operate our business without infringing, misappropriating or otherwise violating the intellectual property rights of others. A U. S. provisional patent application is not eligible to become an issued patent until, among other things, we file non- provisional patent application within 12 months of filing of the provisional patent application. With regard to such U. S. provisional patent applications, if we do not timely file any non- provisional patent applications, we may lose our priority dates with respect to our provisional patent applications and any patent protection on the inventions disclosed in our provisional patent applications. While we intend to timely file non- provisional patent applications relating to our provisional patent applications, we cannot predict whether any such patent applications will result in the issuance of patents that provide us with any competitive advantage. The patent prosecution process is expensive and time- consuming. We and our future licensors, licensees or collaborators may not be able to prepare, file and prosecute all necessary or desirable patent applications at a reasonable cost or in a timely manner. It is also possible that we or our future licensors will fail to identify patentable aspects of our research and development output in time to obtain patent protection or fail to file patent applications covering inventions made in the course of development and commercialization activities before a competitor or another third party files a patent application covering, or publishes information disclosing, a similar, independently- developed invention. Such competitor' s or other third party' s patent application may pose obstacles to our ability to obtain patent protection or limit the scope of the patent protection we may obtain. Although we enter into non- disclosure and confidentiality agreements with parties who have access to confidential or patentable aspects of our research and development output, such as our employees, collaborators, CROs, CDMOs, consultants, advisors and other third parties, any of these parties may breach the agreements and disclose such output before a patent application is filed, thereby jeopardizing our ability to seek patent protection. In addition, publications of discoveries in the scientific literature often lag behind the actual discoveries, and patent applications in the United States and other jurisdictions are typically not published until 18 months after filing, or in some cases not at all. Therefore, we cannot be certain that we or our future licensors were the first to make the inventions claimed in our owned or any future licensed patents or pending patent applications ,—or were the first to file for patent protection of such inventions. The patent position of biotechnology and pharmaceutical companies generally is uncertain, involves complex legal and factual questions and is the subject of much litigation. As a result, the issuance, scope, validity, enforceability and commercial value of our and our current or future licensors' patent rights are uncertain. Our and our future licensors' pending, and future patent applications may not result in patents being issued that protect our technology or product candidates, in whole or in part, or which effectively exclude others from commercializing competitive technologies and product candidates. The patent examination process may require us or our future licensors to narrow the scope of the claims of our pending and future patent applications, and therefore, even if such patent applications issue as patents, they may not issue in a form that will provide us with any meaningful protection, prevent competitors or other third parties from competing with us or otherwise provide us with any competitive advantage. Our and our licensors' patent applications cannot be enforced against third parties practicing the technology claimed in such applications unless and until a patent issues from such applications, and then only to the extent the issued claims cover such technology. Any patents that we hold or in- license in the future may be challenged, narrowed, circumvented or invalidated by third parties. Consequently, we do not know whether any of our product candidates will be protectable or remain protected by valid and enforceable patents. Our competitors or other third parties may be able to circumvent our patents by developing similar or alternative technologies or products in a non- infringing manner. Any of the foregoing could impair our competitive position and harm our business. The patent protection we obtain for our product candidates and technologies may be challenged and rendered invalid and / or unenforceable. Even if our owned patent applications issue as patents, the issuance of any such patents is not conclusive as to their inventorship, scope, validity or enforceability, and such patents may be challenged, invalidated, narrowed or held to be unenforceable, including in the courts or patent offices in the United States and abroad, or circumvented. We may be subject to a third- party preissuance submission of prior art to the United States Patent and Trademark Office (USPTO), or equivalent foreign bodies, or become involved in opposition, derivation, revocation, re- examination, post- grant and inter partes review or interference proceedings challenging our patent rights or the patent rights of others. An adverse determination in any such submission, proceeding or litigation could reduce the scope of, or invalidate, our patent rights, allow third parties to commercialize our technology or products and compete directly with us, without payment to us, or result in our inability to manufacture or commercialize products without infringing

third- party patent rights. Moreover, we may have to participate in interference or derivation proceedings declared by the USPTO to determine priority or ownership of invention or in post- grant challenge proceedings, such as oppositions in a foreign patent office, that challenge priority of invention or other features of patentability. Such proceedings and any other patent challenges may result in loss of patent rights, loss of exclusivity, loss of priority or in patent claims being narrowed, invalidated or held unenforceable, which could limit our ability to stop others from using or commercializing similar or identical technology and products or limit the duration of the patent protection of our technology and product candidates. Such proceedings also may result in substantial ~~cost~~ **costs** and require significant time from our scientists and management, even if the eventual outcome is favorable to us. Moreover, there could be public announcements of the results of hearings, motions or other developments related to any of the foregoing proceedings. If securities analysts or investors perceive those results to be negative, it could cause the price of shares of our common stock to decline. Any of the foregoing could harm our business. Our reliance on third parties requires us to share our trade secrets, which increases the possibility that a competitor will discover them or that our trade secrets will be misappropriated or disclosed. Because we **will** rely on third parties to develop and manufacture our **future** product candidates, we must, at times, share trade secrets with them. We seek to protect our proprietary technology in part by entering into confidentiality agreements and, if applicable, material transfer agreements, collaborative research agreements, consulting agreements or other similar agreements with our collaborators, advisors, employees and consultants prior to beginning research or disclosing proprietary information. These agreements typically limit the rights of the third parties to use or disclose our confidential information, such as trade secrets. Despite these contractual agreements with third parties, sharing trade secrets and other confidential information increases the risk that such trade secrets become known by our competitors, are inadvertently incorporated into the technology of others or are disclosed or used in violation of these agreements. Given that our proprietary position is based, in part, on our know- how and trade secrets, a competitor' s discovery of our trade secrets or other unauthorized use or disclosure would impair our competitive position and may harm our business. In addition, these agreements typically restrict the ability of our advisors, employees, third- party contractors and consultants to publish data potentially relating to our trade secrets, although our agreements may contain certain limited publication rights. Despite our efforts to protect our trade secrets, our competitors may discover our trade secrets, either through breach of our agreements with third parties, independent development or publication of information by any of our third- party collaborators. A competitor' s discovery of our trade secrets would impair our competitive position and harm our business. We may become involved in lawsuits to protect or enforce our patents or other intellectual property, which could be expensive, time- consuming and unsuccessful, and issued patents covering our technology and product candidates could be found invalid or unenforceable if challenged. Competitors and other third parties may infringe, misappropriate or otherwise violate our issued patents or other intellectual property. In addition, our patents may become involved in inventorship or priority disputes. Our pending patent applications cannot be enforced against third parties practicing the technology claimed in such applications unless and until a patent issues from such applications. To counter infringement or other unauthorized use, we may be required to file infringement claims, which can be expensive and time- consuming. Any claims we assert against perceived infringers could provoke these parties to assert counterclaims against us alleging that we infringe their patents or that our patents are invalid or unenforceable. In a patent infringement proceeding, a court may decide that a patent of ours is invalid or unenforceable, in whole or in part, construe the patent' s claims narrowly or refuse to stop the other party from using the technology at issue on the grounds that our patents do not cover the technology. An adverse result in any litigation proceeding could put one or more of our patents at risk of being invalidated, held unenforceable or interpreted narrowly. We may find it impractical or undesirable to enforce our intellectual property against some third parties. In patent litigation in the United States, defendant counterclaims alleging invalidity or unenforceability are commonplace. Grounds for a validity challenge could be an alleged failure to meet any of several statutory requirements, including lack of novelty, obviousness, non- enablement or insufficient written description. Grounds for an unenforceability assertion could be an allegation that someone connected with prosecution of the patent withheld relevant information from the USPTO or made a misleading statement during prosecution. Third parties may also raise similar claims before the USPTO or an equivalent foreign body, even outside the context of litigation. Potential proceedings include re- examination, post- grant review, inter partes review, interference proceedings, derivation proceedings and equivalent proceedings in foreign jurisdictions (e. g., opposition proceedings). Such proceedings could result in the revocation of, cancellation of, or amendment to our patents in such a way that they no longer cover our technology or any product candidates that we may develop. The outcome following legal assertions of invalidity and unenforceability is unpredictable. With respect to the validity question, for example, we cannot be certain that there is no invalidating prior art of which we and the patent examiner were unaware during prosecution. If a defendant were to prevail on a legal assertion of invalidity or unenforceability, we would lose at least part, and perhaps all, of the patent protection on the applicable product candidates or technology covered by the patent rendered invalid or unenforceable. Such a loss of patent protection would harm our business. Interference or derivation proceedings provoked by third parties or brought by us or declared by the USPTO may be necessary to determine the ownership or priority of inventions with respect to our patents or patent applications. An unfavorable outcome could require us to cease using the related technology or to attempt to license rights to it from the prevailing party. Such licenses may not be available on commercially reasonable terms, or at all, or may be non- exclusive. If we are unable to obtain and maintain such licenses, we may need to cease the development, manufacture and commercialization of one or more of the product candidates we may develop. In addition, if we or any future licensors are unsuccessful in any inventorship disputes to which we or they are subject, we may lose valuable intellectual property rights, such as exclusive ownership of, or the exclusive right to use, our owned or any future in- licensed patents. The loss of exclusivity or the narrowing of such patent claims could limit our ability to stop others from using or commercializing similar or identical technology and products. Any of the foregoing could harm our business. Even if we are successful in any of the foregoing disputes, it could result in substantial costs and be a distraction to management and other employees. Furthermore, because of the substantial amount of discovery required in connection with

intellectual property litigation, there is a risk that some of our confidential information could be compromised by disclosure during this type of litigation or proceeding. Such litigation or proceedings could substantially increase our operating losses and reduce the resources available for development activities or any future sales, marketing or distribution activities. We may not have sufficient financial or other resources to conduct such litigation or proceedings adequately. Most of our competitors are larger than we are and have substantially greater resources. They are, therefore, likely to be able to sustain the costs of complex patent litigation or proceedings more effectively than we can because of their greater financial resources and more mature and developed intellectual property portfolios. Accordingly, despite our efforts, we may not be able to prevent third parties from infringing, misappropriating or otherwise violating our intellectual property. Even if resolved in our favor, litigation or other legal proceedings relating to intellectual property claims could result in substantial costs and diversion of management resources, which could harm our business. In addition, the uncertainties associated with litigation could compromise our ability to raise the funds necessary to initiate anticipated clinical trials, continue our internal research programs or in- license needed technology or other product candidates. There could also be public announcements of the results of the hearing, motions or other interim proceedings or developments. If securities analysts or investors perceive those results to be negative, it could cause the price of shares of our common stock to decline. Any of the foregoing events could harm our business. We may not be able to protect our intellectual property rights throughout the world. Filing, prosecuting, maintaining, defending and enforcing patents and other intellectual property rights on our product candidates in all countries throughout the world would be prohibitively expensive, and our intellectual property rights in some countries outside the United States can be less extensive than those in the United States. In addition, the laws of some foreign countries do not protect intellectual property rights to the same extent as federal and state laws in the United States. Consequently, we may not be able to prevent third parties from practicing our inventions in all countries outside the United States, or from selling or importing products made using our inventions in and into the United States or other jurisdictions. Competitors may use our technologies in jurisdictions where we have not obtained patent protection or other intellectual property rights to develop their own products and may export otherwise infringing, misappropriating or violating products to territories where we have patent or other intellectual property protection, but enforcement rights are not as strong as those in the United States. These products may compete with our product candidates, and our patents or other intellectual property rights may not be effective or sufficient to prevent them from competing. Many companies have encountered significant problems in protecting and defending intellectual property rights in foreign jurisdictions. The legal systems of some countries do not favor the enforcement of patents and other intellectual property rights, which could make it difficult for us to stop the infringement, misappropriation or other violation of our intellectual property rights generally. Proceedings to enforce our intellectual property rights in foreign jurisdictions could result in substantial costs and divert our efforts and attention from other aspects of our business, could put our patents at risk of being invalidated or interpreted narrowly and our patent applications at risk of not issuing and could provoke third parties to assert claims against us. We may not prevail in any lawsuits that we initiate, and the damages or other remedies awarded, if any, may not be commercially meaningful. Many countries, including EU countries, India, Japan and China, have compulsory licensing laws under which a patent owner may be compelled under specified circumstances to grant licenses to third parties. In addition, many countries limit the enforceability of patents against government agencies or government contractors. In those countries, we may have limited remedies if patents are infringed or if we are compelled to grant a license to a third party, which could materially diminish the value of those patents. This could limit our potential revenue opportunities. Accordingly, our efforts to enforce our intellectual property rights around the world may be inadequate to obtain a significant commercial advantage from the intellectual property that we develop or license, which could harm our business. We may not identify relevant third- party patents or may incorrectly interpret the relevance, scope or expiration of a third- party patent which might adversely affect our ability to develop and market our product candidates. We cannot guarantee that any of our patent searches or analyses, including the identification of relevant patents, the scope of patent claims or the expiration of relevant patents, are complete or thorough, nor can we be certain that we have identified each and every third- party patent and pending patent application in the United States and abroad that is relevant to or necessary for the commercialization of our product candidates in any jurisdiction. For example, U. S. patent applications filed before November 29, 2000 **,** and certain U. S. patent applications filed after that date that will not be filed outside the United States remain confidential until patents issue. Patent applications in the United States and elsewhere are published approximately 18 months after the earliest filing for which priority is claimed, with such earliest filing date being commonly referred to as the priority date. Therefore, patent applications covering our product candidates could have been filed by third parties without our knowledge. Additionally, pending patent applications that have been published can, subject to certain limitations, be later amended in a manner that could cover our product candidates or ~~the~~ **their** use ~~of our product candidates~~ . The scope of a patent claim is determined by an interpretation of the law, the written disclosure in a patent and the patent' s prosecution history. Our interpretation of the relevance or the scope of a patent or a pending application may be incorrect, which may negatively impact our ability to market our product candidates. We may incorrectly determine that our product candidates are not covered by a third- party patent or may incorrectly predict whether a third party' s pending application will issue with claims of relevant scope. Our determination of the expiration date of any patent in the United States or abroad that we consider relevant may be incorrect, which may negatively impact our ability to develop and market our product candidates. Our failure to identify and correctly interpret relevant patents may negatively impact our ability to develop and market our product candidates. If we fail to identify and correctly interpret relevant patents or if we are unable to obtain licenses to relevant patents, we may be subject to infringement claims. We cannot guarantee that we will be able to successfully settle or otherwise resolve such infringement claims. If we fail in any such dispute, in addition to being forced to pay damages, which may be significant, we may be temporarily or permanently prohibited from commercializing any of our product candidates that are held to be infringing. We might, if possible, also be forced to redesign product candidates so that we no longer infringe the third- party intellectual property rights. Any of these events, even if we were ultimately to prevail, could

require us to divert substantial financial and management resources that we would otherwise be able to devote to our business and could harm our business. If we are unable to obtain licenses from third parties on commercially reasonable terms or fail to comply with our obligations under such agreements, our business could be harmed. It may be necessary for us to use the patented or proprietary technology of third parties to commercialize our products, in which case we would be required to obtain a license from these third parties. The licensing or acquisition of third- party intellectual property rights is a competitive area, and several more established companies may pursue strategies to license or acquire third- party intellectual property rights that we may consider attractive or necessary. These established companies may have a competitive advantage over us due to their size, capital resources and greater clinical development and commercialization capabilities. In addition, companies that perceive us to be a competitor may be unwilling to assign or license rights to us. If we are unable to license such technology, or if we are forced to license such technology, on unfavorable terms, our business could be harmed. If we are unable to obtain a necessary license, we may be unable to develop or commercialize the affected product candidates, which could harm our business, and the third parties owning such intellectual property rights could seek either an injunction prohibiting our sales, or, with respect to our sales, an obligation on our part to pay royalties and / or other forms of compensation. Even if we **can** ~~are able to~~ obtain a license, it may be non- exclusive, ~~thereby~~ giving our competitors access to the same technologies licensed to us. Moreover, some of our patents and patent applications in the future may be co- owned with third parties. If we are unable to obtain an exclusive license to any such co- owners' interest in such patents or patent applications, such co- owners may be able to license their rights to other third parties, including our competitors, who could market competing products and technology. In addition, we may need the cooperation of any such co- owners ~~in order~~ to enforce such patents against third parties, and such cooperation may not be provided to us. Patent terms may be inadequate to protect our competitive position on our product candidates for an adequate amount of time. Patents have a limited lifespan. In the United States, if all maintenance fees are timely paid, the natural expiration of a patent is generally 20 years from its earliest U. S. non- provisional filing date. Various extensions may be available, but the life of a patent, and the protection it affords, is limited. Even if patents covering our product candidates are obtained, once the patent life has expired for a product candidate, we may be open to competition from competitive medications, including generic medications. Given the amount of time required for the development, testing and regulatory review of new product candidates, patents protecting such product candidates might expire before or shortly after such product candidates are commercialized. As a result, our owned and any future licensed patent portfolio may not provide us with sufficient rights to exclude others from commercializing product candidates similar or identical to ours. Depending upon the timing, duration and conditions of any FDA marketing approval of our product candidates, one or more of our U. S. patents may be eligible for limited patent term extension under the Drug Price Competition and Patent Term Restoration Act of 1984, referred to as the Hatch- Waxman Amendments, and one or more of our foreign patents may be eligible for patent term extension under similar legislation, for example, in the EU. In the United States, the Hatch- Waxman Amendments permit a patent term extension of up to five years for a patent covering an approved product as compensation for effective patent term lost during product development and the FDA regulatory review process. However, there are no assurances that the FDA or any comparable foreign regulatory authority or national patent office will grant such extensions, in whole or in part. For example, we may not receive an extension if we fail to exercise due diligence during the testing phase or regulatory review process, fail to apply within applicable deadlines, fail to apply prior to expiration of relevant patents or otherwise fail to satisfy applicable requirements. Moreover, the length of the extension could be less than we request. Only one patent per approved product can be extended, the extension cannot extend the total patent term beyond 14 years from approval, and only those claims covering the approved drug, a method for using it or a method for manufacturing it may be extended. If we are unable to obtain patent term extension or the term of any such extension is less than we request, the period during which we can enforce our patent rights for the applicable product candidate will be shortened, and our competitors may obtain approval to market competing products sooner. As a result, our revenue from applicable products could be reduced. Further, if this occurs, our competitors may take advantage of our investment in development and trials by referencing our clinical and preclinical data and launch their product earlier than might otherwise be the case, and our competitive position and business could be harmed. Changes in patent law could diminish the value of our patents, thereby impairing our ability to protect our product candidates. Obtaining and enforcing patents in the pharmaceutical industry is inherently uncertain, due in part to ongoing changes in the patent laws. Depending on decisions by Congress, the federal courts, and the USPTO and equivalent institutions in other jurisdictions, the laws and regulations governing patents, and interpretation thereof, could change in unpredictable ways that could weaken our ability to obtain new patents or to enforce existing or future patents. For example, the U. S. Supreme Court has ruled on several patent cases in recent years, either narrowing the scope of patent protection available in certain circumstances or weakening the rights of patent owners in certain situations. Therefore, there is increased uncertainty with regard to our ability to obtain patents in the future, as well as uncertainty with respect to the value of patents once obtained. Recent patent reform legislation could increase the uncertainties and costs surrounding the prosecution of our patent applications and the enforcement or defense of our issued patents. Assuming that other requirements for patentability are met, prior to March 2013, in the United States, the first to invent the claimed invention was entitled to the patent, while outside the United States, the first to file a patent application was entitled to the patent. After March 2013, under the Leahy- Smith America Invents Act, or the Leahy- Smith Act, enacted in September 2011, the United States transitioned to a first inventor to file system in which, assuming that other requirements for patentability are met, the first inventor to file a patent application will be entitled to the patent on an invention regardless of whether a third party was the first to invent the claimed invention. The Leahy- Smith Act also includes a number of significant changes that affect the way patent applications are prosecuted and may also affect patent litigation. These include allowing third- party submission of prior art to the USPTO during patent prosecution and additional procedures to attack the validity of a patent by USPTO- administered post- grant proceedings, including post- grant review, inter partes review and derivation proceedings. The USPTO recently developed new regulations and procedures to govern administration of the Leahy- Smith Act, and many of the

substantive changes to patent law associated with the Leahy- Smith Act, particularly the first inventor- to- file provisions. Accordingly, it is not clear what, if any, impact the Leahy- Smith Act will have on the operation of our business. However, the Leahy- Smith Act and its implementation could increase the uncertainties and costs surrounding the prosecution of our patent applications and the enforcement or defense of our issued patents, all of which could harm our business. Obtaining and maintaining patent protection depends on compliance with various procedural, document submission, fee payment and other requirements imposed by governmental patent agencies, and our patent protection could be reduced or eliminated if we fail to comply with these requirements. Periodic maintenance fees, renewal fees, annuity fees and various other government fees on any issued patents and applications are required to be paid to the USPTO and foreign patent agencies in several stages over the lifetime of a patent. In certain circumstances, we may rely on our future licensors to pay these fees. The USPTO and various foreign patent agencies also require compliance with a number of procedural, documentary, fee payment and other similar requirements during the patent application and prosecution process. Noncompliance events that could result in abandonment or lapse of a patent or patent application include failure to respond to official communications within prescribed time limits, non-payment of fees and failure to properly legalize and submit formal documents. While an inadvertent lapse can in many cases be cured by payment of a late fee or by other means in accordance with the applicable rules, there are situations in which non-compliance can result in irrevocable abandonment or lapse of the patent or patent application, resulting in partial or complete loss of patent rights in the relevant jurisdiction. If we or any future licensors or collaborators fail to maintain the patents and patent applications covering our product candidates, our competitors might be able to enter the market with similar or identical products or technology, which would harm our business. Third parties may initiate legal proceedings alleging that we are infringing, misappropriating or otherwise violating their intellectual property rights, the outcome of which would be uncertain and could negatively impact the success of our business. Our commercial success depends upon our ability and the ability of our collaborators to develop, manufacture, market and sell our product candidates and use our proprietary technologies without infringing, misappropriating or otherwise violating the intellectual property and other proprietary rights of third parties. There is considerable intellectual property litigation in the biotechnology and pharmaceutical industries. We may become party to, or be threatened with, future adversarial proceedings or litigation regarding intellectual property rights with respect to our product candidates and technology, including re- examination, interference, post- grant review, inter partes review or derivation proceedings before the USPTO or an equivalent foreign body. Numerous U. S. and foreign issued patents and pending patent applications owned by third parties exist in the fields in which we are developing our product candidates. In the event that any of these patents were asserted against us, we believe that we would have defenses against any such action, including that such patents are not valid or that we would be able to replace such technology with alternative, non- infringing technology. However, if any such patents were to be asserted against us and our defenses to such assertion were unsuccessful and such alternative technology was not available or technologically or commercially practical, unless we obtain a license to such patents, we could be liable for damages, which could be significant and include treble damages and attorneys' fees if we are found to willfully infringe such patents, and we could be precluded from commercializing any product candidates that were ultimately held to infringe such patents. Any potential future legal proceedings relating to these patents could cause us to incur significant expenses, and could distract our technical and management personnel from their normal responsibilities. If we are unsuccessful in our challenges to these patents and become subject to litigation or are unable to obtain a license on commercially reasonable terms with respect to these patents, it could harm our business. Third parties may assert infringement claims against us based on existing patents or patents that may be granted in the future, regardless of their merit. Even if we believe third- party intellectual property claims are without merit, there is no assurance that a court would find in our favor on questions of infringement, validity, enforceability or priority. A court of competent jurisdiction could hold that third- party patents asserted against us are valid, enforceable and infringed, which could adversely affect our ability to commercialize any product candidates we may develop **,** and any other product candidates or technologies covered by the asserted third- party patents. **To** ~~In order to~~ successfully challenge the validity of any such U. S. patent in federal court, we would need to overcome a presumption of validity. As this burden is a high one requiring us to present clear and convincing evidence as to the invalidity of any such U. S. patent claim, there is no assurance that a court of competent jurisdiction would invalidate the claims of any such U. S. patent. If we are found to infringe, misappropriate or otherwise violate a third party' s intellectual property rights, and we are unsuccessful in demonstrating that such rights are invalid or unenforceable, we could be required to obtain a license from such a third party ~~in order~~ to continue developing and marketing our products and technology. However, we may not be able to obtain any required license on commercially reasonable terms or at all. Even if we were able to obtain a license, it could be non- exclusive, thereby giving our competitors access to the same technologies licensed to us, and it could require us to make substantial licensing and royalty payments. We could be forced, including by court order, to cease commercializing the infringing technology or product candidates. A finding of infringement could prevent us from commercializing our product candidates or force us to cease some of our business operations. In the event of a successful claim of infringement against us, we may have to pay substantial damages, including treble damages and attorneys' fees for willful infringement, pay royalties and other fees, redesign our infringing drug or obtain one or more licenses from third parties, which may be impossible or require substantial time and monetary expenditure. Claims that we have misappropriated the confidential information or trade secrets of third parties could have a similar negative impact on our business. Any of the foregoing events would harm our business. We may be subject to claims by third parties asserting that we or our employees have infringed upon, misappropriated or otherwise violated their intellectual property rights, or claiming ownership of what we regard as our own intellectual property. Many of our employees were previously employed at other biotechnology or pharmaceutical companies. Although we try to ensure that our employees, consultants and advisors do not use the proprietary information or know- how of others in their work for us, we may be subject to claims that we or these individuals have used or disclosed intellectual property, including trade secrets or other proprietary information, of any such individual' s former employer. Litigation may be necessary to defend against these claims. In addition,

we or our future licensors may be subject to claims that former employees, collaborators or other third parties have an interest in our owned or any future in- licensed patents or other intellectual property as an inventor or co- inventor. While it is our policy to require our employees and contractors who may be involved in the development of intellectual property to execute agreements assigning such intellectual property to us, we may be unsuccessful in executing such an agreement with each party who in fact conceives, develops or reduces to practice intellectual property that we regard as our own. Our and their assignment agreements may not be self- executing or may be breached, and we may be forced to bring claims against third parties, or defend claims they may bring against us, to determine the ownership of what we regard as our intellectual property. If we fail in prosecuting or defending any such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights or personnel. Even if we are successful in prosecuting or defending against such claims, litigation could result in substantial costs, delay development of our product candidates and be a distraction to management. Any of the foregoing events would harm our business. Intellectual property litigation could cause us to spend substantial resources and distract our personnel from their normal responsibilities. Even if resolved in our favor, litigation or other legal proceedings relating to intellectual property claims may cause us to incur significant expenses , and could distract our technical and management personnel from their normal responsibilities. In addition, there could be public announcements of the results of hearings, motions or other interim proceedings or developments and if securities analysts or investors perceive these results to be negative, it could have a substantial adverse effect on the price of our common stock. Such litigation or proceedings could substantially increase our operating losses and reduce the resources available for development activities or any future sales, marketing or distribution activities. We may not have sufficient financial or other resources to conduct such litigation or proceedings adequately. Some of our competitors may be able to sustain the costs of such litigation or proceedings more effectively than we can because of their greater financial resources. Uncertainties resulting from the initiation and continuation of patent litigation or other proceedings could compromise our ability to compete in the marketplace, including compromising our ability to raise the funds necessary to initiate anticipated clinical trials, continue our research programs, license necessary technology from third parties or enter into development collaborations that would help us commercialize our product candidates, if approved. Any of the foregoing events would harm our business. If we are unable to protect the confidentiality of our trade secrets, our business and competitive position would be harmed. We rely on trade secrets and confidentiality agreements to protect our unpatented know- how, technology and other proprietary information and to maintain our competitive position. Trade secrets and know- how can be difficult to protect. We seek to protect these trade secrets and other proprietary technology, in part, by entering into non- disclosure and confidentiality agreements with parties who have access to them, such as our employees, collaborators, CROs, contract manufacturers, consultants, advisors and other third parties. We also enter into confidentiality and invention or patent assignment agreements with our employees and consultants. We cannot guarantee that we have entered into such agreements with each party that may have or has had access to our trade secrets or proprietary technology and processes. Despite these efforts, any of these parties may breach the agreements and disclose our proprietary information, including our trade secrets, and we may not be able to obtain adequate remedies for such breaches. Enforcing a claim that a party illegally disclosed or misappropriated a trade secret is difficult, expensive and time- consuming, and the outcome is unpredictable. In addition, some courts inside and outside the United States are less willing or unwilling to protect trade secrets. If any of our trade secrets were to be lawfully obtained or independently developed by a competitor or other third party, we would have no right to prevent them from using that technology or information to compete with us. If any of our trade secrets were to be disclosed to or independently developed by a competitor or other third party, our competitive position would be harmed. We may not be able to protect and enforce our trademarks and trade names , or build name recognition in our markets of interest thereby harming our competitive position. We intend to rely on both registered and common law rights for our trademarks. We plan to apply to register these trademarks with the USPTO and may in the future seek to register additional trademarks in the United States and other countries. Our trademark applications may not be allowed for registration in a timely fashion or at all, and our future registered trademarks may not be maintained or enforced. In addition, any registered or unregistered trademarks or trade names that we own or will own may be challenged, infringed, circumvented, declared generic, lapsed or determined to be infringing on or dilutive of other marks. We may not be able to protect our rights in these trademarks and trade names or may be forced to stop using these names, which we need for name recognition by potential partners or customers in our markets of interest. In addition, third parties have filed, and may in the future file, for registration of trademarks similar or identical to our trademarks, thereby impeding our ability to build brand identity and possibly leading to market confusion. If they succeed in registering or developing common law rights in such trademarks, and if we are not successful in challenging such rights, we may not be able to use these trademarks to develop brand recognition of our technologies, products or services. In addition, there could be potential trade name or trademark infringement claims brought by owners of other registered trademarks or trademarks that incorporate variations of our registered or unregistered trademarks or trade names. During the trademark registration process, we may receive Office Actions from the USPTO or from comparable agencies in foreign jurisdictions objecting to the registration of our trademark. Although we would be given an opportunity to respond to those objections, we may be unable to overcome such rejections. In addition, in the USPTO and in comparable agencies in many foreign jurisdictions, third parties are given an opportunity to oppose pending trademark applications and / or to seek the cancellation of registered trademarks. Opposition or cancellation proceedings may in the future be filed against our trademark applications or registrations, and our trademark applications or registrations may not survive such proceedings. In addition, third parties may file first for our trademarks in certain countries. If they succeed in registering such trademarks, and if we are not successful in challenging such third- party rights, we may not be able to use these trademarks to market our products in those countries. If we do not secure registrations for our trademarks, we may encounter more difficulty in enforcing them against third parties than we otherwise would. If we are unable to establish name recognition based on our trademarks and trade names, we may not be able to compete effectively, which could harm our business. Intellectual property rights do not necessarily address all potential threats. The degree of future

protection afforded by our intellectual property rights is uncertain because intellectual property rights have limitations and may not adequately protect our business or permit us to maintain our competitive advantage. For example: • others may be able to make products that are similar to any product candidates we may develop or utilize similar technology but that are not covered by the claims of the patents that we own now or own or license in the future; • we, or our future licensors, might not have been the first to make the inventions covered by the issued patent or pending patent application that we own now or own or license in the future; • we, or our future licensors, might not have been the first to file patent applications covering certain of our or their inventions; • others may independently develop similar or alternative technologies or duplicate any of our technologies without infringing our intellectual property rights; • it is possible that our pending owned patent applications or those that we may own or license in the future will not lead to issued patents; issued patents that we hold rights to may be held invalid or unenforceable, including as a result of legal challenges by our competitors; • our competitors might conduct research and development activities in the United States under FDA- related safe harbor patent infringement exemptions and / or in countries where we do not have patent rights and then use the information learned from such activities to develop competitive products for sale in our major commercial markets; • we may not develop additional proprietary technologies that are patentable; • the patents of others may harm our business; and • we may choose not to file a patent in order to maintain certain trade secrets or know- how, and a third party may subsequently file a patent covering such intellectual property. Should any of these events occur, they could harm our business. Risks Related to our Business Operations ~~,~~ **and** Employee Matters **In 2023, we reduced the size of our organization,** and **we may encounter difficulties in** ~~Managing~~ **managing this** ~~Growth Actions that we are taking to restructure~~ **restructuring , which could disrupt** our **operations** ~~business in alignment with our strategic priorities may not be as effective as anticipated~~ . In February 2023, we commenced certain restructuring actions (the ~~“~~ Restructuring Plan ~~”~~) to conserve financial resources and better align our workforce with current business needs, as a result of the decision to pause development of ETX- 155 and focus on our preclinical Kv7. 2 / 3 program. **In July 2023, we made** ~~We may encounter challenges in the execution of these~~ -- **the** ~~efforts~~ **determination to pause further development of our Kv7 program and to conduct a comprehensive exploration of strategic alternatives focused on maximizing stockholder value. In October 2023** , **we reduced our workforce by** ~~and~~ - **an additional 10 employees** ~~these challenges could impact our financial results~~ . ~~Although we believe~~ **The workforce reduction** that **accompanied** ~~the Restructuring Plan will reduce operating costs, we cannot guarantee that the Restructuring Plan will achieve or~~ **our** ~~sustain~~ **strategic realignment has resulted in** the **loss of** ~~targeted benefits, or that the benefits, even if achieved, will be adequate to meet our long~~ **longer** - term **employees,** ~~expectations. As a result of these~~ -- **the** ~~actions~~ **loss of institutional knowledge and expertise and the reallocation and combination of certain roles and responsibilities across the organization** , ~~we will incur~~ **all of which could adversely affect our operations. The restructuring and possible** additional ~~costs~~ - **cost** ~~in the near term~~ **containment measures may yield unintended consequences** , **such as** ~~including cash expenditures for employee transition, notice period and severance payments, employee benefits, and related facilitation costs. Additional risks associated with the continuing impact of the Restructuring Plan include employee~~ attrition beyond our intended **workforce** reduction ~~in force~~ and **reduced** ~~adverse effects on~~ employee morale ~~(which may also be further exacerbated by actual or perceived declining value of equity awards), diversion of management attention, adverse effects to our reputation as an employer (which could make it more difficult for us to hire new employees in the future), and potential failure or delays to meet development targets due to the loss of qualified employees. If we do not realize the expected benefits of our restructuring efforts on a timely basis or at all, our business, results of operations and financial condition could be adversely affected~~ . In addition, **we may not achieve anticipated benefits from the workforce reduction. Due to our limited resources, we may not be able to effectively manage our operations or recruit and retain qualified personnel, which may result** in ~~connection~~ **weaknesses in our infrastructure and operations, risks that we may not be able to comply** with **legal** ~~the Restructuring Plan, Bob Azelby, our former president~~ and **regulatory requirements** ~~chief executive officer~~ , and **loss** ~~a member~~ of **employees** ~~our board of directors has departed the Company~~ and ~~the board~~ **reduced productivity among remaining employees** . **If our management is unable** ~~Andrew Levin has been appointed as executive chairman overseeing the day~~ - to ~~- day operations of the Company, effective~~ **effectively manage this transition and workforce reduction and** ~~upon Mr. Azelby’ s departure. In addition~~ **additional cost containment measures** , ~~Erin Lavelle,~~ our **expenses may be more than expected** ~~executive vice president, chief operating officer~~ and ~~chief~~ **we may not be able to implement our business strategy. As a result, our future** financial **performance** ~~officer,~~ and ~~Jim Bucher,~~ our **ability to commercialize** ~~executive vice president and general counsel, will depart the Company following a short transition period. Executive leadership transition periods are often difficult as the new executives gain detailed knowledge of~~ our **future product candidates successfully would be** ~~operations, and friction can result from changes in strategy and management style. Executive management transition, particularly at the principal executive officer level, inherently causes some loss of institutional knowledge, which can~~ negatively ~~affect~~ **affected** ~~strategy, execution and our ability to compete. In any event, changes in our organization as a result of executive management transition may have a disruptive impact on our ability to implement our strategy and could have a material adverse effect on our business, results of operations, financial condition and growth prospects~~ . Our employees, independent contractors, consultants, commercial collaborators, principal investigators, CROs and vendors may engage in misconduct or other improper activities, including non- compliance with regulatory standards and requirements. We are exposed to the risk that our employees, independent contractors, consultants, commercial collaborators, principal investigators, CROs and vendors may engage in fraudulent conduct or other illegal activity. Misconduct by these parties could include intentional, reckless or negligent conduct or unauthorized activities that violates (1) the laws and regulations of the FDA, the EMA, the MHRA and other similar regulatory authorities, including those laws requiring the reporting of true, complete and accurate information to such authorities, (2) manufacturing standards, (3) federal and state data privacy, security, fraud and abuse and other healthcare laws and regulations in the United States and abroad and (4) laws that require the true, complete and accurate reporting of financial information or data. In particular, sales, marketing and business arrangements in the healthcare industry are subject to extensive laws and regulations intended to prevent

fraud, misconduct, kickbacks, self- dealing and other abusive practices. These laws and regulations may restrict or prohibit a wide range of pricing, discounting, marketing and promotion, sales commission, customer incentive programs and other business arrangements. Misconduct by these parties could also involve the improper use of individually identifiable information, including information obtained in the course of clinical trials, creating fraudulent data in our preclinical studies or clinical trials or illegal misappropriation of product candidates, which could result in regulatory sanctions and harm our reputation. We have adopted a code of business conduct and ethics, but it is not always possible to identify and deter misconduct by employees and other third parties, and the precautions we take to detect and prevent this activity may not be effective in controlling unknown or unmanaged risks or losses or in protecting us from governmental investigations or other actions or lawsuits stemming from a failure to be in compliance with such laws or regulations. Additionally, we are subject to the risk that a person or government could allege such fraud or other misconduct, even if none occurred. If any such actions are instituted against us, and we are not successful in defending ourselves or asserting our rights, those actions could have a significant impact on our business, including the imposition of significant civil, criminal and administrative penalties, including damages, fines, disgorgement, imprisonment, exclusion from participation in government healthcare programs, such as Medicare and Medicaid, contractual damages, reputational harm and the delay, reduction, termination or restructuring of our operations. Our international operations in the U. K. may expose us to business, regulatory, political, operational, financial, pricing and reimbursement risks associated with doing business outside of the United States. Our business is subject to risks associated with conducting business internationally. Some of our suppliers, industry partners and clinical study centers are located outside of the United States. Furthermore, our business strategy incorporates potential international expansion as we seek to obtain regulatory approval for, and commercialize, our product candidates in patient populations outside the United States. If approved, we may hire sales representatives and conduct physician and patient association outreach activities outside of the United States. Doing business internationally involves a number of risks, including but not limited to: • multiple, conflicting and changing laws and regulations, including those related to Brexit related changes, such as privacy regulations, tax laws, export and import restrictions, employment laws, regulatory requirements, and other governmental approvals, permits and licenses; • failure by us to obtain and maintain regulatory approvals for the use of our products in various countries; rejection or qualification of foreign clinical trial data by the competent authorities of other countries; • delays or interruptions in the supply of clinical trial materials resulting from any events affecting raw material supply or manufacturing capabilities abroad ~~, including those that may result from the ongoing COVID- 19 pandemic~~ ; • additional potentially relevant third- party patent and other intellectual property rights; • complexities and difficulties in obtaining, maintaining, protecting and enforcing our intellectual property; • difficulties in staffing and managing foreign operations; • complexities associated with managing multiple payor reimbursement regimes, government payors or patient self- pay systems; • limits in our ability to penetrate international markets; • financial risks, such as longer payment cycles, difficulty collecting accounts receivable, the impact of local and regional financial crises on demand and payment for our product candidates and exposure to foreign currency exchange rate fluctuations; • currency exchange rate fluctuations and the resulting effect on our revenue and expenses and the cost and risk of entering into hedging transactions if we chose to do so in the future; • natural disasters, political and economic instability, including wars, terrorism and political unrest, outbreak of disease, including ~~COVID- 19 and~~ related public health guidance measures, boycotts, curtailment of trade and other business restrictions; • certain expenses including, among others, expenses for travel and insurance; and • regulatory and compliance risks that relate to anti- corruption compliance and record- keeping that may fall within the purview of the U. S. Foreign Corrupt Practices Act, its accounting provisions or its anti- bribery provisions or provisions of anti- corruption or anti-bribery laws in other countries. Any of these factors could harm our future international expansion and operations and, consequently, our results of operations. We may not be able to utilize a significant portion of our net operating loss carryforwards. As of December 31, ~~2022~~ **2023** , we had net operating loss carryforwards of approximately $ ~~7~~ **13** . 1 million for federal income tax purposes, $ ~~41~~ **55** . ~~6~~ **5** million for foreign income tax purposes and $ 8. ~~2~~ **3** million for state income tax purposes. The federal net operating loss may be used up to 80 % of future taxable income while the state and foreign losses may be used to offset up to 100 % of future taxable income. The federal net operating loss carryforward can be carried forward indefinitely while the state net operating loss carryforward will begin to expire in varying amounts in ~~2039~~ **2038** . The net operating loss carryforwards subject to expiration could expire unused and be unavailable to offset future income tax liabilities. Under the Tax Cuts and Jobs Act (Tax Act), as modified by the Coronavirus Aid, Relief and Economic Security Act (CARES Act), federal net operating losses incurred in taxable years beginning after December 31, 2017 and in future taxable years may be carried forward indefinitely, but the deductibility of such federal net operating losses in taxable years beginning after December 31, 2020 is limited. Separately, under Section 382 of the Internal Revenue Code of 1986, as amended, (Internal Revenue Code), and corresponding provisions of state law, if a corporation undergoes an " ownership change, " which is generally defined as a greater than 50 percentage point change, by value, in its equity ownership by certain stockholders over a rolling three- year period, the corporation' s ability to use its pre- change NOL carryforwards and other pre- change tax attributes to offset its post- change income or taxes may be limited. The completion of our ~~initial public offering (~~ IPO ~~)~~, together with private placements and other transactions that have occurred since our inception, may trigger such an ownership change pursuant to Section 382 of the Internal Revenue Code. We have not completed a Section 382 analysis, and therefore, there can be no assurances that the NOLs carryforward are not already limited. In addition, we may experience ownership changes **due to** ~~as a result of~~ subsequent shifts in our stock ownership, some of which may be ~~outside~~ **out** of our control. If an ownership change occurs and our ability to use our NOL carryforwards is materially limited, it could harm our future operating results by effectively increasing our future tax obligations. We may seek to grow our business through acquisitions or investments in new or complementary businesses, products or technologies, through the licensing of products or technologies from third parties or other strategic alliances, and the failure to manage acquisitions, investments, licenses or other strategic alliances, or the failure to integrate them with our existing business, could have a material adverse effect on our operating

results, dilute our stockholders' ownership, increase our debt or cause us to incur significant expense. Our success depends on our ability to continually enhance and broaden our product offerings in response to changing clinician and patients' needs, competitive technologies and market pressures. Accordingly, from time to time we may consider opportunities to acquire, make investments in or license other technologies, products and businesses that may enhance our capabilities, complement our existing products and technologies or expand the breadth of our markets or customer base. Potential and completed acquisitions, strategic investments, licenses and other alliances involve numerous risks, including: • difficulty assimilating or integrating acquired or licensed technologies, products, employees or business operations; issues maintaining uniform standards, procedures, controls and policies; • unanticipated costs associated with acquisitions or strategic alliances, including the assumption of unknown or contingent liabilities and the incurrence of debt or future write- offs of intangible assets or goodwill; • diversion of management' s attention from our core business and disruption of ongoing operations; • adverse effects on existing business relationships with suppliers, sales agents, health care facilities, surgeons and other health care providers; • risks associated with entering new markets in which we have limited or no experience; • potential losses related to investments in other companies; • potential loss of key employees of acquired businesses; and • increased legal and accounting compliance costs. We do not know if we will be able to identify acquisitions or strategic relationships we deem suitable, whether we will be able to successfully complete any such transactions on favorable terms, if at all, or whether we will be able to successfully integrate any acquired business, product or technology into our business or retain any key personnel, suppliers, sales agent, health care facilities, physicians or other health care providers. Our ability to successfully grow through strategic transactions depends upon our ability to identify, negotiate, complete and integrate suitable target businesses, technologies or products and to obtain any necessary financing. These efforts could be expensive and time- consuming and may disrupt our ongoing business and prevent management from focusing on our operations. If we pursue any foreign acquisitions, they typically involve unique risks in addition to those mentioned above, including those related to integration of operations across different cultures, languages and legal and regulatory environments, currency risks and the particular economic, political and regulatory risks associated with specific countries. To finance any acquisitions, investments or strategic alliances, we may choose to issue shares of our common stock as consideration, which could dilute the ownership of our stockholders. **For example, in connection with the closing of the Proposed Transaction, a concurrent private placement of our common stock would be effected at or as of immediately after the closing of the Proposed Transaction pursuant to binding subscription agreements to be entered into concurrently with the execution of a definitive agreement with respect to the Proposed Transaction, in an aggregate amount to be mutually determined by the parties.** If the price of our common stock is low or volatile, we may be unable to consummate any acquisitions, investments or strategic alliances using our common stock as consideration. Additional funds may not be available on terms ~~that are~~ favorable to us, or at all. Risks Related to our Common Stock ~~Our operating results may fluctuate significantly and may be difficult to predict. Our quarterly and annual operating results may fluctuate significantly, due to a variety of factors, many of which are outside of our control and may be difficult to predict, including: • the timing and cost of, and level of investment in, research, development and, if approved, commercialization activities relating to our product candidates, which may change from time to time; • the timing and status of enrollment for clinical trials; • the cost of manufacturing our product candidates, as well as building out our supply chain, which may vary depending on the quantity of production and the terms of our agreements with manufacturers; • expenditures that we may incur to acquire, develop or commercialize additional product candidates and technologies; timing and amount of any milestone, royalty or other payments due under any collaboration or license agreement; future accounting pronouncements or changes in our accounting policies; • the timing and success or failure of preclinical studies and clinical trials for our product candidates or competing product candidates, or any other change in the competitive landscape of our industry, including consolidation among our competitors or partners; • the timing of receipt of approvals for our product candidates from regulatory authorities in the United States and internationally; exchange rate fluctuations; • coverage and reimbursement policies with respect to our product candidates, if approved, and potential future drugs that compete with our products; and • the level of demand for our product candidates, if approved, which may vary significantly over time.~~ The trading price of the shares of our common stock may be volatile, and purchasers of our common stock could incur substantial losses. Our stock price has been volatile, fluctuating from a high trading price of $ 29. 69 per share in August 2021 to a low trading price of $ 2. 21 in February 2023. The stock market in general and the market for biotechnology companies in particular have also experienced extreme volatility that has often been unrelated to the operating performance of particular companies. The market price for our common stock may continue to be volatile in the future and may be influenced by many factors, including: • adverse regulatory decisions; • any delay in our regulatory filings for our product candidates and any adverse development or perceived adverse development with respect to the applicable regulatory authority' s review of such filings, including without limitation the FDA' s issuance of a " refusal to file " letter or a request for additional information; • the commencement, enrollment or results of any future clinical trials we may conduct, or changes in the development status of our product candidates; • adverse results from, delays in or termination of our clinical trials or those of our competitors; • unanticipated serious safety concerns related to the use of our product candidates; • lower than expected market acceptance of our product candidates following approval for commercialization; • changes in financial estimates by us or by any securities analysts who might cover our stock; • conditions or trends in our industry; • changes in the market valuations of similar companies; • stock market price and volume fluctuations of comparable companies and, in particular, those that operate in the pharmaceutical industry; • publication of research reports about us or our industry or positive or negative recommendations or withdrawal of research coverage by securities analysts; • announcements by us or our competitors of **strategic transactions,** significant acquisitions, strategic partnerships or divestitures; • announcements of investigations or regulatory scrutiny of our operations or lawsuits filed against us; • investors' general perception of our company and our business; • actions by institutional or activist investors; • changes to our business, including pipeline reprioritizations and restructurings; • recruitment or departure of key personnel; • overall performance of the equity markets; • trading volume of our

common stock; • disputes or other developments relating to intellectual property rights, including patents, litigation matters and our ability to obtain, maintain, defend, protect and enforce patent and other intellectual property rights for our technologies; • threats of or actual significant lawsuits, including patent or stockholder litigation; • proposed changes to healthcare laws in the United States or foreign jurisdictions, or speculation regarding such changes ~~; • the impact of the ongoing COVID- 19 pandemic~~ ; • general political and economic conditions; and • other events or factors, many of which are beyond our control. In the past, stockholders have initiated class action lawsuits against pharmaceutical and biotechnology companies following periods of volatility in the market prices of these companies' stock, in particular following significant drops in stock price. Such litigation, if instituted against us, could cause us to incur substantial costs and divert management' s attention and resources from our business. In addition, in the current volatile market for biotechnology stocks, in particular where shares are trading below cash balances, certain biotechnology investors have advocated for increases in short- term stockholder value through proposed corporate actions such as financial restructurings, special dividends, stock repurchases, mergers, other business combinations or sales of assets. Any such proposals directed at us could cause us to incur substantial costs and divert management' s attention and resources from our business. A significant portion of our common stock may be sold into the market, which could cause the market price of our common stock to drop significantly. Sales of a substantial number of shares of our common stock in the public market could occur at any time. If our stockholders sell, or the market perceives that our stockholders intend to sell, substantial amounts of our common stock in the public market, the market price of our common stock could decline significantly. We have registered and intend to continue to register all shares of common stock that we may issue under our equity compensation plans. These shares can be freely sold in the public market upon issuance, subject to volume limitations applicable to affiliates. In connection with the Restructuring Plan, we accelerated vesting of certain outstanding and unvested equity awards held by terminated employees, including our former chief executive officer and other executives. As a result, a greater number of shares of common stock will be available for sale in the public market earlier than would have been the case if the Restructuring Plan had not been implemented. Additionally, the holders of an aggregate of 15. 7 million shares of our common stock, or their transferees, have rights, subject to some conditions, to require us to file one or more registration statements covering their shares or to include their shares in registration statements that we may file for ourselves or other stockholders. If we were to register the resale of these shares, they could be freely sold in the public market without limitation. If these additional shares are sold, or if it is perceived that they will be sold, in the public market, the trading price of our common stock could decline. Anti- takeover provisions in our charter documents and under Delaware law could make an acquisition of our company more difficult, limit attempts by our stockholders to replace or remove our current management and limit the market price of our common stock. Provisions in our amended and restated certificate of incorporation and amended and restated bylaws, as currently in effect, may have the effect of delaying or preventing a change of control or changes in our management. Our amended and restated certificate of incorporation and amended and restated bylaws include provisions that: • provide for a classified board of directors whose members serve staggered terms; • authorize our board of directors to issue, without further action by the stockholders, shares of undesignated preferred stock with terms, rights and preferences determined by our board of directors that may be senior to our common stock; • require that any action to be taken by our stockholders be effected at a duly called annual or special meeting and not by written consent; • specify that special meetings of our stockholders can be called only by our board of directors, the chairperson of our board of directors or our chief executive officer; • establish an advance notice procedure for stockholder proposals to be brought before an annual meeting, including proposed nominations of persons for election to our board of directors; • prohibit cumulative voting in the election of directors; • provide that our directors may be removed for cause only upon the vote of the holders of at least 66 2 / 3 % of our outstanding shares of common stock; • provide that vacancies on our board of directors may be filled only by a majority of directors then in office, even though less than a quorum; and • require the approval of our board of directors or the holders of at least 66 2 / 3 % of our outstanding shares of common stock to amend our bylaws and certain provisions of our certificate of incorporation. These provisions may frustrate or prevent any attempts by our stockholders to replace or remove our current management by making it more difficult for stockholders to replace members of our board of directors, which is responsible for appointing the members of our management. In addition, because we are incorporated in Delaware, we are governed by the provisions of Section 203 of the Delaware General Corporation Law (DGCL), which generally, subject to certain exceptions, prohibits a Delaware corporation from engaging in any of a broad range of business combinations with any " interested " stockholder for a period of three years following the date on which the stockholder became an " interested " stockholder. Any delay or prevention of a change of control transaction or changes in our management could cause the market price of our common stock to decline. Claims for indemnification by our directors and officers may reduce our available funds to satisfy successful third- party claims against us and may reduce the amount of money available to us. Our amended and restated certificate of incorporation and amended and restated bylaws provide that we will indemnify our directors and officers, in each case to the fullest extent permitted by Delaware law. In addition, as permitted by Section 145 of the DGCL, our amended and restated bylaws and our indemnification agreements that we have entered into with our directors and officers provide that: • We will indemnify our directors and officers for serving us in those capacities or for serving other business enterprises at our request, to the fullest extent permitted by Delaware law. Delaware law provides that a corporation may indemnify such person if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the registrant and, with respect to any criminal proceeding, had no reasonable cause to believe such person' s conduct was unlawful. • We may, in our discretion, indemnify employees and agents in those circumstances where indemnification is permitted by applicable law. • We are required to advance expenses, as incurred, to our directors and officers in connection with defending a proceeding, except that such directors or officers shall undertake to repay such advances if it is ultimately determined that such person is not entitled to indemnification. • We will not be obligated pursuant to our amended and restated bylaws to indemnify a person with respect to proceedings initiated by that person against us or our other indemnitees, except with respect to proceedings authorized by our

board of directors or brought to enforce a right to indemnification. • The rights conferred in our amended and restated bylaws are not exclusive, and we are authorized to enter into indemnification agreements with our directors, officers, employees and agents and to obtain insurance to indemnify such persons. We may not retroactively amend our amended and restated bylaw provisions to reduce our indemnification obligations to directors, officers, employees and agents. Concentration of ownership of our common stock among our existing executive officers, directors and principal stockholders may prevent new investors from influencing significant corporate decisions and also reduces the public float for our common stock. Based upon our common stock outstanding as of December 31, ~~2022~~ **2023** , our executive officers, directors and current beneficial owners of 5 % or more of our common stock, in the aggregate, beneficially own approximately 89. ~~8~~ **2** % of our outstanding common stock. These stockholders, acting together, are able to significantly influence all matters requiring stockholder approval, including the election and removal of directors and any merger or other significant corporate transactions. The interests of this group of stockholders may not coincide with the interests of other stockholders. Some of these persons or entities may have interests different than yours. For example, because many of these stockholders purchased their shares at prices substantially below the price at which shares were sold in the IPO and have held their shares for a longer period, they may be more interested in selling our company to an acquirer than other investors, or they may want us to pursue strategies that deviate from the interests of other stockholders. In addition, as a result of this concentration of ownership, there is a limited number of number of shares of our common stock that are not held by officers, directors and controlling stockholders (which is referred to as our public float), thereby adversely impacting the liquidity of our common stock and potentially depressing the price at which you may be able to sell shares of common stock. We have identified material weaknesses in our internal control over financial reporting. If we are unable to remediate these material weaknesses, or if we identify additional material weaknesses in the future or otherwise fail to maintain effective internal control over financial reporting, we may not be able to accurately or timely report our financial condition or results of operations, which may adversely affect our business. Prior to the completion of the IPO, we were a private company with limited accounting personnel to adequately execute our accounting processes and other supervisory resources with which to address our internal control over financial reporting. In connection with the preparation of our consolidated financial statements for the year ended December 31, 2020, we identified material weaknesses in our internal control over financial reporting, two of which remain unremediated as of December 31, ~~2022~~ **2023** . The **unremediated** material weaknesses, and our remediation plan, are disclosed in Item 9A of this Annual Report on Form 10- K. We believe we have made substantial progress toward achieving the effectiveness of our internal control over financial reporting and disclosure controls and procedures. The actions that have been taken are subject to continued review and testing by management as well as oversight by the audit committee of our board of directors. We will not be able to conclude whether the steps we have taken will fully remediate these material weaknesses in our internal control over financial reporting until we have completed our remediation efforts and subsequent evaluation of their effectiveness. If we fail to maintain proper and effective internal controls, our ability to produce accurate financial statements on a timely basis could be impaired. We are subject to the reporting requirements of the Securities Exchange Act of 1934, as amended (Exchange Act), the Sarbanes- Oxley Act and the rules and regulations of the Nasdaq Stock Market. Section 302 of the Sarbanes- Oxley Act requires, among other things, that we report on the effectiveness of our disclosure controls and procedures in our quarterly and annual reports and ~~, beginning with our annual report for the year ending 2022,~~ Section 404 of the Sarbanes- Oxley Act requires that we perform system and process evaluation and testing of our internal control over financial reporting to allow management to report on the effectiveness of our internal control over financial reporting in our Form 10- K ~~filing~~ **filings** ~~for that year. This requires that we incur substantial additional professional fees and internal costs to expand our accounting and finance functions and that we expend significant management efforts. As a public company, we will be required to maintain internal control over financial reporting and to report any material weaknesses in those internal controls~~ . We cannot assure you that the measures we have taken to date, and are continuing to implement, or any measures we may take in the future, will be sufficient to identify or prevent future material weaknesses. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that the control system' s objectives will be met. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that misstatements due to error or fraud will not occur or that all control issues and instances of fraud will be detected. In addition, our independent registered public accounting firm will be required to attest to the effectiveness of our internal control over financial reporting in our first annual report required to be filed with the SEC following the date we are no longer an emerging growth company or a smaller reporting company with less than $ 100 million in revenue. If we are not able to comply with the requirements of Section 404 of the Sarbanes- Oxley Act in a timely manner, or if we are unable to maintain proper and effective internal controls, we may not be able to produce timely and accurate financial statements. If that were to happen, the market price of our stock could decline and we could be subject to sanctions or investigations by the Nasdaq Stock Market, the SEC or other regulatory authorities. In addition, our common stock may not be able to remain listed on the Nasdaq Stock Market or any other securities exchange. Our amended and restated certificate of incorporation designates the Court of Chancery of the State of Delaware and, to the extent enforceable, the federal district courts of the United States of America as the exclusive forums for substantially all disputes between us and our stockholders, which restricts our stockholders' ability to choose the judicial forum for disputes with us or our directors, officers, or employees. Our amended and restated certificate of incorporation provides that the Court of Chancery of the State of Delaware is the exclusive forum for the following types of claims or causes of action under Delaware statutory or common law: any derivative claims or causes of action brought on our behalf; any claims or causes of action asserting a breach of a fiduciary duty; any action asserting a claim against us arising pursuant to the Delaware General Corporation Law, our amended and restated certificate of incorporation, or our amended and restated bylaws; or any action asserting a claim against us that is governed by the internal affairs doctrine. In addition, our amended and restated certificate of incorporation provides that the federal district courts of the United States of America will be the exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act. These choice of

forum provisions will not apply to suits brought to enforce a duty or liability created by the Exchange Act or any other claim for which the federal courts have exclusive jurisdiction. Such provisions are intended to benefit and may be enforced by us, our officers and directors, employees and agents, including the underwriters for any offering giving rise to such complaint and any other professional or entity who has prepared or certified any part of the document underlying the offering and may result in increased costs for stockholders to bring a claim. We believe these provisions may benefit us by providing increased consistency in the application of Delaware law and federal securities laws by chancellors and judges, as applicable, particularly experienced in resolving corporate disputes, efficient administration of cases on a more expedited schedule relative to other forums and protection against the burdens of multi- forum litigation. These choice of forum provisions may limit a stockholder' s ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers, or other employees, which may discourage lawsuits with respect to such claims or make such lawsuits more costly for stockholders, although our stockholders will not be deemed to have waived our compliance with federal securities laws and the rules and regulations thereunder. While the Delaware courts have determined that such choice of forum provisions are facially valid, a stockholder may nevertheless seek to bring a claim in a venue other than those designated in the exclusive forum provisions, and there can be no assurance that such provisions will be enforced by a court in those other jurisdictions. If a court were to find either choice of forum provision contained in our amended and restated certificate of incorporation to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions. General Risk Factors Raising additional capital may cause dilution to our stockholders, restrict our operations or require us to relinquish rights to our technologies or product candidates. ~~We expect our expenses to increase in connection with our planned operations.~~ Unless and until we can generate a substantial amount of revenue from our product candidates, we **may** ~~expect to~~ finance our future cash needs through public or private equity offerings, debt financings, collaborations, licensing arrangements or other sources, or any combination of the foregoing. In addition, we may seek additional capital due to favorable market conditions or strategic considerations, even if we believe that we have sufficient funds for our current or future operating plans. To the extent that we raise additional capital through the sale of common stock, convertible securities or other equity securities, your ownership interest may be diluted, and the terms of these securities could include liquidation or other preferences and anti- dilution protections that could adversely affect your rights as a common stockholder. In addition, debt financing, if available, may result in fixed payment obligations and may involve agreements that include restrictive covenants that limit our ability to take specific actions, such as incurring additional debt, making capital expenditures, creating liens, redeeming stock or declaring dividends, that could adversely impact our ability to conduct our business. In addition, securing financing could require a substantial amount of time and attention from our management and may divert a disproportionate amount of their attention away from day- to- day activities, which may adversely affect our management' s ability to oversee the development of our product candidates. Additional capital may not be available to us, or even if it is, the cost of such capital may be high. We may be forced to obtain additional capital before reaching clinical or regulatory milestones, when our stock price or trading volume or both are low, or when the general market for life sciences companies is weak. Raising capital under any of these or similar scenarios, if we can raise any at all, may lead to significant dilution to our existing stockholders. If we raise additional funds through collaborations or marketing, distribution, licensing and royalty arrangements with third parties, we may have to relinquish valuable rights to our technologies, future revenue streams or product candidates or grant licenses on terms that may not be favorable to us. If we are unable to raise additional funds when needed, we may be required to delay, limit, reduce or terminate our product development or future commercialization efforts or grant rights to develop and market product candidates that we would otherwise prefer to develop and market ourselves. If equity research analysts do not publish research or reports, or publish unfavorable research or reports, about us, our business or our market, our stock price and trading volume could decline. The trading market for our common stock will be influenced by the research and reports that equity research analysts publish about us and our business. As a newly public company, we may have limited equity analyst coverage. Equity research analysts may elect not to provide research coverage of our common stock, and such lack of research coverage may adversely affect the market price of our common stock. In the event we do have equity research analyst coverage, we will not have any control over the analysts or the content and opinions included in their reports. The price of our stock could decline if one or more equity research analysts downgrade our stock or issue other unfavorable commentary or research. If one or more equity research analysts ceases coverage of our company or fails to publish reports on us regularly, demand for our stock could decrease, which in turn could cause our stock price or trading volume to decline. Unfavorable global economic conditions could adversely affect our business, financial condition, stock price, and results of operations. The global credit and financial markets have experienced extreme volatility and disruptions (including as a result of ~~the ongoing COVID- 19 pandemic and~~ actual or perceived changes in interest rates, inflation and macroeconomic uncertainties), which has included severely diminished liquidity and credit availability, declines in consumer confidence, declines in economic growth, high inflation, uncertainty about economic stability, and increases in unemployment rates. The financial markets and the global economy may also be adversely affected by the current or anticipated impact of military conflict, including the conflict between Russia and Ukraine **and Israel and Hamas** , terrorism, or other geopolitical events. Sanctions imposed by the ~~United States~~ **U. S.** and other countries in response to such conflicts, including the one in Ukraine, may also continue to adversely impact the financial markets and the global economy, and any economic countermeasures by the affected countries or others could exacerbate market and economic instability. There can be no assurance that further deterioration in credit and financial markets and confidence in economic conditions will not occur. A severe or prolonged economic downturn could result in a variety of risks to our business, including a decrease in the demand for our drug candidates and in our ability to raise additional capital when needed on acceptable terms, if at all. In addition, current inflationary trends in the global economy may impact salaries and wages, costs of goods and transportation expenses, among other things **, and recent and potential future disruptions in access to bank deposits or lending commitments due to bank failures may create market and economic instability** . We cannot anticipate all of the ways in which the foregoing, and the

current economic climate and financial market conditions generally, could adversely impact our business ~~. We incur costs and demands upon our management as a result of complying with the laws and regulations affecting public companies in the U. S., which may harm our business. As a public company listed in the U. S., we incur significant additional legal, accounting and other expenses. In addition, changing laws, regulations and standards relating to corporate governance and public disclosure, including regulations implemented by the SEC and the Nasdaq Stock Market, may increase legal and financial compliance costs and make some activities more time consuming. These laws, regulations and standards are subject to varying interpretations and, as a result, their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies. We intend to invest resources to comply with evolving laws, regulations and standards, and this investment may result in increased general and administrative expenses and a diversion of management' s time and attention from regular business activities to compliance activities. If, notwithstanding our efforts, we fail to comply with new laws, regulations and standards, regulatory authorities may initiate legal proceedings against us and our business may be harmed. Failure to comply with these rules might also make it more difficult for us to obtain certain types of insurance, including director and officer liability insurance, and we might be forced to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. The impact of these events could also make it more difficult for us to attract and retain qualified persons to serve on our board of directors, on committees of our board of directors or as members of senior management~~ . If our information technology systems or data, or those of third parties upon which we rely, such as CROs, are or were compromised, we could experience adverse consequences resulting from such compromise, including but not limited to regulatory investigations or actions; litigation; fines and penalties; disruptions of our business operations; reputational harm; loss of revenue or profits; loss of customers or sales; and other adverse consequences. In the ordinary course of our business, we may collect, store, use, transmit, disclose, or otherwise process proprietary, confidential, and sensitive data, including personal data (such as health- related data), intellectual property, and trade secrets. **Cyberattacks, malicious internet- based activity, online and offline fraud, and other similar activities threaten the confidentiality, integrity and availability of our data and information technology systems, and those of the third parties upon which we rely. Such threats are prevalent and continue to increase, and are becoming increasingly difficult to detect. These threats come from a variety of sources. In addition to traditional computer " hackers, " threat actors, " hacktivists ", organized criminal threat actors, personnel (such as through theft or misuse), sophisticated nation- states, and nation- state- supported actors now engage in attacks. Some actors now engage and are expected to continue to engage in cyber- attacks, including without limitation nation- state actors for geopolitical reasons and in conjunction with military conflicts and defense activities. During times of war and other major conflicts, we, the third parties upon which we rely, may be vulnerable to a heightened risk of these attacks, including retaliatory cyber- attacks, that could materially disrupt our systems and operations, supply chain, and ability to produce, sell and distribute our goods and services. We and the third parties upon which we rely, such as CROs, may be subject to a variety of evolving threats, including but not limited to social- engineering attacks (including through deep fakes, which may become increasingly more difficult to identify as fake, and phishing attacks), malicious code (such as viruses and worms), malware (including as a result of advanced persistent threat intrusions), denial- of- service attacks (such as credential stuffing), credential harvesting, personnel misconduct or error, ransomware attacks, supply- chain attacks, software bugs, server malfunctions, software or hardware failures, loss of data or other information technology assets, adware, telecommunications failures, geopolitical developments, earthquakes, fires, floods, and other similar threats. Ransomware attacks are becoming increasingly prevalent and severe and can lead to significant interruptions in our operations, loss of data and income, reputational harm, and diversion of funds. Extortion payments may alleviate the negative impact of a ransomware attack, but we may be unwilling or unable to make such payments due to, for example, applicable laws or regulations prohibiting such payments.** We may rely upon third ~~parties~~ **- party** service providers and technologies to operate critical business systems to process confidential information and personal data in a variety of contexts, including, without limitation, third- party providers of cloud- based infrastructure, encryption and authentication technology, employee email and other functions. Our ability to monitor these third parties' cybersecurity practices is limited, and these third parties may not have adequate information security measures in place. We may share or receive sensitive data with or from third parties ~~. Cyberattacks~~ , ~~malicious internet- based activity,~~ and **if** ~~online and offline fraud are prevalent and continue to increase. These threats are becoming increasingly difficult to detect. These threats come from a variety of sources. In addition to traditional computer " hackers, " threat actors, personnel (such as through theft or misuse), sophisticated nation- states, and nation- state- supported actors now engage in attacks. We and the~~ **they experience** ~~third parties upon which we rely, such as CROs, may be subject to~~ a **security incident** ~~variety of evolving threats, including but not limited to social- engineering attacks (including through phishing attacks), malicious code (such as viruses and worms), malware (including as a result of advanced persistent threat intrusions), denial- of- service attacks (such as credential stuffing), personnel misconduct or error, ransomware attacks, supply- chain attacks, software bugs, server malfunctions, software or hardware failures, loss of data~~ or other ~~information technology assets, adware, telecommunications failures, geopolitical developments, earthquakes, fires, floods, and other similar threats. Ransomware attacks, including those perpetrated by organized criminal threat actors, nation- states, and nation- state- supported actors, are becoming increasingly prevalent and severe and can lead to significant interruptions~~ - **interruption** ~~in our operations~~ , ~~loss of data and income, reputational harm, and diversion of funds. For example, concerns have been raised about a potential increase in cybersecurity attacks generally as a result of the war between Russia and Ukraine and the resulting sanctions by U. S. and European governments, together with any additional future sanctions or other actions by them. Extortion payments may alleviate the negative impact of a ransomware attack, but~~ we **could experience adverse consequences** ~~may be unwilling or unable to make such payments due to, for example, applicable laws or regulations prohibiting such payments~~ . Similarly, supply- chain attacks have increased in frequency and severity, and we cannot guarantee that third parties and infrastructure in our supply chain or our third- party partners' supply chains have not been

~~compromised~~ **affected. While we may be entitled to damages if** ~~or~~ **our** ~~that they do not contain exploitable defects or bugs that could result in a breach of or disruption to our information technology systems (including our products and services) or the~~ third- party ~~information technology systems that support~~ **service providers fail to satisfy their privacy or security- related obligations to** us ~~and~~ **, any award may be insufficient to cover our damages,** ~~our~~ **or** ~~services~~ **we may be unable to recover such award** . Our remote workforce poses increased risks to our information technology systems and data, as more of our personnel work from home, utilizing network connections outside our premises. Future business transactions (such as acquisitions or integrations) could expose us to additional cybersecurity risks and vulnerabilities, as our systems could be negatively affected by vulnerabilities present in acquired or integrated entities' systems and technologies. **Furthermore, we may discover security issues that were not found during due diligence of such acquired or integrated entities, and it may be difficult to integrate companies into our information technology environment and security program.** Any of the previously identified or similar threats could cause a security incident or other interruption. A security incident or other interruption could result in unauthorized, unlawful, or accidental acquisition, modification, destruction, loss, alteration, encryption, disclosure of, or access to **our** data **or our information technology systems, or those of the third parties upon whom we rely** . If such an event were to occur, it could result in a material disruption of our development programs and our business operations. For example, the loss of clinical trial data from completed, ongoing or future clinical trials could result in delays in our regulatory approval efforts and significantly increase our costs to recover or reproduce the data. Likewise, we rely on third parties for the manufacture of our product candidates and to conduct clinical trials, and similar events relating to their computer systems could also harm our business. ~~These threats pose a risk to the security of our systems, the confidentiality and the availability and integrity of our data, and these risks apply both to us, and to third parties on whose systems we rely for the conduct of our business.~~ We may expend significant resources or modify our business activities (including ~~our~~ future clinical trial activities) ~~in an effort~~ to protect against security incidents. Certain data privacy and security obligations may require us to implement and maintain specific security measures, industry- standard or reasonable security measures to protect our information technology systems and data. While we have implemented security measures designed to protect against security incidents, there can be no assurance that these measures will be effective. We **take steps to detect and remediate vulnerabilities but we** may be unable in the future to detect **and remediate** vulnerabilities ~~in our information technology systems~~ because such threats and techniques change frequently, are often sophisticated in nature, and **therefore** may not be detected until after a security incident has occurred. **These** ~~Despite our efforts to identify and remediate~~ vulnerabilities **therefore** ~~, if any, in our information technology systems, our efforts~~ may ~~not be successful~~ **pose material risks to our business** . Further, we may experience delays in developing and deploying remedial measures designed to address any such identified vulnerabilities. Applicable data privacy and security obligations may require us to notify relevant stakeholders of security incidents. Such disclosures are costly, and the disclosures or the failure to comply with such requirements could lead to adverse consequences. If we (or a third party upon whom we rely) experience a security incident or are perceived to have experienced a security incident, we may experience adverse consequences. These consequences may include: government enforcement actions (for example, investigations, fines, penalties, audits, and inspections); additional reporting requirements and / or oversight; restrictions on processing data (including personal data); litigation (including class claims); indemnification obligations; negative publicity; reputational harm; monetary expenditures; interruptions in our operations (including availability of data); financial loss; and other similar harms. Security incidents and attendant consequences may cause delays in the development of our product candidates and negatively impact our ability to grow and operate our business. Our contracts may not contain limitations of liability, and even where they do, there can be no assurance that limitations of liability in our contracts are sufficient to protect us from liabilities, damages, or claims related to our data privacy and security obligations. We cannot be sure that our insurance coverage will be adequate or sufficient of protect us from or to mitigate liabilities arising out of our privacy and security practices, that such coverage will continue to be available on commercially reasonable terms or at all, or that such coverage will pay future claims. **In addition to experiencing a security incident, third parties may gather, collect, or infer sensitive information about us from public sources, data brokers, or other means that reveals competitively sensitive details about our organization and could be used to undermine our competitive advantage or market position.** We are an " emerging growth company " and a " smaller reporting company, " and as a result of the reduced reporting requirements applicable to " emerging growth companies " and " smaller reporting companies, " our common stock may be less attractive to investors. We are an " emerging growth company, " as defined in the JOBS Act. For as long as we continue to be an " emerging growth company, " we may take advantage of exemptions from various reporting requirements that are applicable to other public companies that are not " emerging growth companies, " including not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes- Oxley Act, and exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved. We may take advantage of these exemptions until we are no longer an " emerging growth company. " We could be an " emerging growth company " for up to five years, although circumstances could cause us to lose that status earlier, including if the aggregate market value of our common stock held by non- affiliates exceeds $ 700 million as of any June 30 (the end of our second fiscal quarter) before that time, in which case we would no longer be an " emerging growth company " as of the following December 31 (our fiscal year- end). We are also a " smaller reporting company, " as defined in the Exchange Act. Even after we no longer qualify as an " emerging growth company, " we may still qualify as a " smaller reporting company, " which would allow us to continue to take advantage of many of the same exemptions from disclosure requirements. We cannot predict if investors will find our common stock less attractive because we may rely on these exemptions. If some investors find our common stock less attractive as a result, there may be a less active trading market for our common stock and the price of our common stock may be more volatile. We may be unable to maintain adequate insurance coverage. We presently have general liability, workers' compensation, directors' and officers' and product liability insurance coverage. Although we believe we will

be able to maintain such coverage for a reasonable cost and obtain any additional coverages that our business may require, no assurances can be made that we will be able to do so. Changes in tax laws or regulations that are applied adversely to us ~~or our customers~~ may seriously harm our business. New income, sales, use or other tax laws, statutes, rules, regulations or ordinances could be enacted at any time, which could affect the tax treatment of any of our future domestic and foreign earnings. Any new taxes could adversely affect our domestic and international business operations, and our business and financial performance. Further, existing tax laws, statutes, rules, regulations or ordinances could be interpreted, changed, modified or applied adversely to us. ~~We~~ **In addition, we** are a" small or medium- sized enterprise" (SME) as defined under U. K. corporate tax regulations. We **may** ~~have and expect to~~ continue to rely on U. K. research and development tax credits and incentives that are available to SMEs as a source of capital for our business. Changes in the SME eligibility criteria by the U. K. government or changes in our business could prevent us from being eligible for these tax credits in the future. Further, in November 2022, the U. K. government announced changes to the research and development tax credit program; these changes, which ~~include~~ **included** a reduction in tax credit rates for SMEs, ~~are~~ **were** effective on ~~or after~~ April 1, 2023. Changes such as these reduce the amount of capital we obtain from recoverable U. K. research and development tax credits, which could also harm our business. **62**